

New York City Economic Development Corporation

New York City Council Oversight Hearing:

Fiscal Year 2017 Preliminary Budget Testimony

Maria Torres-Springer, President

March 16, 2016

Introduction

Good afternoon Chairman Garodnick, Chairman Cornegy, and members of the Committees on Economic Development and Small Business. I am Maria Torres-Springer, President of the New York City Economic Development Corporation (“NYCEDC”), and I am pleased to join Department of Small Business Services Commissioner Gregg Bishop in testifying before you today. Together with NYCEDC’s Chief Financial Officer Kim Vaccari, and other members of my staff, I want to give you a brief presentation about our economic development efforts. Specifically, I would like to detail how EDC is working to create good jobs in dynamic neighborhoods throughout the five boroughs.

About NYCEDC

This being my first Budget Hearing as President of EDC, I’m particularly excited to share with you the details of our plan. It’s our goal to make New York City the global model for inclusive innovation and economic growth, fueled by the diversity of our people and our businesses.

NYCEDC has three main tools we use to meet these goals. First, we are an asset management and capital construction firm, efficiently and inclusively managing a wide range of capital construction projects on behalf of the City. It is through this group that most of NYCEDC’s capital budget flows. We manage a portfolio of about 200 properties, which totals about 60 million square feet of mostly industrial City assets. Second is our real estate and area-wide development practice, through which most of the projects you normally associate with our

organization are managed. It is also through this practice that we assist DCP in neighborhood rezonings. Third, we serve as a strategic planning and implementation firm that makes programmatic investments to diversify and strengthen our economy.

NYCEDC is self-sustaining and receives no operating funds from the City, deriving revenues mostly from property management, financing fees, and land sale proceeds. Because of this unique structure, NYCEDC utilizes the revenue generated by our assets not only to make fiscal contributions to the City, but also to make strategic investments, either in our own assets or to fund a broad spectrum of programs and services that stimulate economic opportunity throughout the city. EDC made the decision to not request any new funding in FY17, choosing instead to focus on building out our capital allocations from previous years for projects like the Hunts Point Alternative Fueling Station and Brooklyn Army Terminal Rehab.

Strategic Plan: Strengthen Neighborhoods & Grow Good Jobs

Today we are in many ways a thriving city. The City has all-time high of 4.2 million jobs, hitting new levels each month. We have added 248,800 private sector jobs since Mayor de Blasio took office in January 2014, the largest two-year jump in the city's history. That includes a 6.4% increase in the boroughs outside of Manhattan, significantly higher than years prior. Average wages increased 4% in 2014 – the first annual increase since 2010---across almost every sector.

We are also a City, however, of many challenges. While the number of jobs is high, many of these jobs have been in lower-paying sectors. More New Yorkers actually live below the poverty line today than in 2000. More than half of New Yorkers are rent burdened, paying over a third of their income in housing. And we are lagging behind other global cities with respect to 21st Century infrastructure.

To meet the needs of an evolving City, we've rolled out a comprehensive new strategic plan. Our work in this Administration focuses on two key pillars. The first is building **dynamic, resilient neighborhoods**. The second is advancing **good-paying, 21st century jobs**.

Our Philosophy of Development

But even as we identify *what we do*, it is just as important that we consider *how we do it*. For too long many New Yorkers felt that projects were happening *to* them, rather than being a product of local needs. In this administration, we are very focused on ensuring that we don't just do outreach *to* a community, but that we are engaging *with* the members of a community about their aspirations for their neighborhood. That's why we are laser-focused on putting community engagement with local residents and stakeholders as priority number one in the way we plan and implement future projects. And to help inculcate this commitment to inclusiveness into our organizational DNA, we've hired Valarie Kennedy as our Chief Diversity Officer, who is tasked not only with enhancing diversity practices within our office, but with ensuring that our projects reflect the diverse communities we serve, including outreach in a variety of languages.

Strengthening Neighborhoods:

Our work to build strong neighborhoods includes three priorities: first, conducting comprehensive neighborhood planning; second, catalyzing development in communities across the City, in many instances building entire new neighborhoods; and third, building community assets and infrastructure that connect New Yorkers to opportunity.

As part of our work towards **comprehensive neighborhood planning** we began an area-wide planning initiative in Inwood, in partnership with Councilmember Ydanis Rodriguez. We held a

series of planning workshops in order to hear community input on the future of northern Manhattan. The workshops helped us make sure that *community* priorities on Inwood's job training, waterfront, public spaces, and affordable housing are included in the planning process. In the coming months, we will be implementing these priorities.

At the same time, we are carrying out a planning process in Lower Concourse in the Bronx. Throughout 2015, we held more than 10 public listening sessions for residents of Lower Concourse to share their views on the business and infrastructure needs of their community. EDC is working with city partners to create a plan for how to most effectively deploy \$200 million in city capital to create jobs, build housing and infrastructure, and promote connections within the neighborhood.

The next element of our effort to strengthen neighborhoods is **catalyzing development**. For instance, last year, Councilmember Donovan Richards led a series of community meetings seeking feedback from local residents on the future of Downtown Far Rockaway. The Working Group of that process recently delivered recommendations to Mayor de Blasio. And in his State of the City speech, the Mayor committed \$91 million dollars to turn the community's wishes into realities through a multi-pronged, cross-agency strategy to develop commercial space, mixed use housing, open space, storefront improvements, and commercial opportunities for Rockaway Residents.

And on Staten Island, we're transforming a historic farm colony site for housing and community use through the Landmark Colony project. For decades, the six buildings on the site have sat vacant and fallen into disrepair. But with a \$95 million private investment, Landmark Colony will become an active residential community with hundreds of units of senior housing and

connections to the Staten Island Greenbelt, a 3,500-acre network of open space. We are thrilled to turn these underutilized city properties into an asset for the community and some of its most vulnerable members, and we hope to break ground soon.

The third component in our efforts to strengthen New York City's neighborhoods includes leveraging the City's resources to **enhance community assets and build infrastructure**. As announced by the Mayor, we are expanding our Graffiti Free NYC program as part of CleanNYC. We will be using 24 new power-washing trucks to clean sidewalks along some of the city's busiest commercial corridors – like Church Avenue in Brooklyn, the Downtown Flushing Transit Hub in Queens, Jerome-Gun Hill in the Bronx, Broadway on Manhattan's Upper West Side, and Hylan Boulevard in Staten Island.

Another component of our infrastructure development is, of course, the **Citywide Ferry Service**. To enhance connectivity throughout the boroughs, we're overseeing the greatest expansion of ferry service in New York Harbor in decades, increasing the number of routes to a total of six by the end of 2018. The Citywide Ferry Service will connect Astoria and Long Island City to the Cornell Tech campus on Roosevelt Island, points in Manhattan, the Bronx, The Rockaways, and beyond. In 2017, we will launch three new ferry service routes--Astoria, Rockaways and South Brooklyn. And in 2018, we will launch two new ferry services routes--Lower East Side and Soundview. We are on schedule to deliver on both of those timelines.

Because this has been a banner project for NYCEDC, we are proud to be so engaged with so many communities, civic organizations and elected officials. Since the Mayor's announcement, we have met with dozens of community boards and civic organizations, briefed or reached out to over 60 elected officials at the city, state and federal levels, and collected community feedback

from letters, town hall meetings, and our own NYCEDC website. We have worked hard to collaborate with as many people and groups as we can, and we invite others to reach out to us on our website for additional engagement.

Another way to ensure that New Yorkers can *access* opportunities across neighborhoods is a recently announced project called the **Brooklyn-Queens Connector**, or BQX.

The BQX is a streetcar that will begin in Sunset Park in the South, travel northward along the Brooklyn waterfront through DUMBO and Williamsburg, and continue onward to Astoria in Queens. It will slash commute times along one of the City's fastest growing commercial and residential corridors, one where approximately 700,000 people currently live and work and that has historically been short on transit options. BQX will link 14 NYCHA developments to jobs and amenities, benefiting over 40,000 NYCHA residents---10% of NYCHA's total population. Industrial jobs will be much more accessible in places like the Brooklyn Navy Yard. This is an exciting project for us and we look forward to your active participation over the coming years.

Grow Good Jobs

I would like to turn now to our work to grow quality 21st century jobs for New Yorkers across the five boroughs.

Let me start with our work to **target specific sectors** of the economy that have great potential, but may need the City's support to nudge the private market. One example is our industrial and manufacturing sector, or I&M. I&M provide quality jobs for a wide range of New Yorkers and are critical for a dynamic and inclusive 21st century economy.

One place where all of this potential comes together is Sunset Park, Brooklyn, where we manage a variety of industrial assets on the city's behalf. We've diligently worked hand in hand with Councilmember Carlos Menchaca and local stakeholders to bring the Sunset Park Industrial Area to its full employment potential. On the counsel of Councilmember Menchaca, we have hired Jennifer Sun as Executive Director for all of our work in Sunset Park, overseeing community engagement and ensuring that our work is best utilized for local, equitable opportunity.

To that end we have released a Request for Proposals for the South Brooklyn Marine Terminal, looking for maritime-dependent operators at this 72-acre facility. We've received some exciting responses we're currently reviewing. Once activated, this marine facility could generate upwards of 300 direct jobs while encouraging even more employment in the neighborhood. Typical waterfront starting pay is \$40,000 with benefits, rising to an average of \$80,000.

Through the City's Industrial Action Plan, which we announced in partnership with the City Council after months of positive community engagement, we're ensuring that we are building the industrial economy of tomorrow. One of our efforts to that end is a \$150 million Industrial Development Fund that ensures that real estate is prioritized for non-profit developers and managers of industrial properties. We just released an RFP for the fund at the beginning of March.

A second sector is Applied Sciences. Back in 2008, we developed the **Applied Sciences Initiative**. This is a series of five university partnerships, anchored by the Cornell-Tech Campus at Roosevelt Island, that are ahead of schedule to double the number of engineers in the City in less than a generation. It's a powerful legacy that the City is building off of with the forthcoming innovation hubs at Union Square East, where we're turning the former **PC Richard** site into a

new step out space for tech companies and in Harlem's innovation corridor, where we've pioneered wet -lab incubator space for early-stage life science companies. And on **Governor's Island**, the Mayor recently announced we are creating a 365-day-a-year destination that unites entrepreneurs, inventors, scholars, and educational institutions.

These efforts are working. New York City is now the second-largest recipient of venture capital in the country. Broadly defined, nearly 300,000 New Yorkers work in the tech ecosystem with employment growing faster—at 7.6% per year—than almost any other sector. We've seen over 7.3 billion dollars of venture capital flowing into the New York City area over the last four quarters alone, contributing to what's already a \$125 billion tech economy.

We are also working to **grow the innovation jobs of tomorrow**.

A few weeks ago, we released an RFP for Futureworks, a network of advanced manufacturing resources that will help the City's manufacturers adopt new technologies through a virtual incubator, new business services and grants, as well as a network of affordable workspaces that provide access to high-end equipment. These centers will house new forms of production tools like next-generation robotics and nanotechnology.

While Futureworks centers will exist citywide, one will be based in an Advanced Manufacturing Center at the Brooklyn Army Terminal. With an EDC capital investment of \$15 million, BAT will be a home for manufacturers, designers, technology developers, and non-profits, creating new models for connecting young adults from under-resourced neighborhoods with quality jobs in New York's industrial economy.

Another example of the innovation jobs of tomorrow is **Urban Technology**. A few weeks ago, we announced *UrbanTech NYC*, a series of programs to help innovators address New York City's urban management challenges. In partnership with New Lab and Grand Central Tech, we committed over 7 million dollars to create two Urban Technology Growth Hubs in the Brooklyn Navy Yard and in Manhattan. When they open this summer, the Hubs will offer access to prototyping and testing equipment, local training programs, sector-specific business workshops, and mentorship.

Of course, for all the sectoral growth we are encouraging, the strength of our economy is first and foremost rooted in the talents and diversity of our people. And we are ensuring that we are **expanding access to opportunity** in all we do.

As a city of immigrants, more than 43% of our workforce is born outside of the United States. Every year, US Citizenship & Immigration Services receives about 200,000 applications for H-1B visas, the documentation that entrepreneurs and knowledge economy workers need in order to stay in the country. But only one out of four applicants actually receives a visa---the rest are forced to take their talents to other countries, leaving our city and our nation that much poorer.

That is why we recently announced a program called **IN2NYC**. IN2NYC is the very first City-run program in the United States designed to help international entrepreneurs gain access to the cap-exempt H-1B visas they need to grow their businesses, create jobs for New Yorkers, and develop mentorship programs for New York City students. And because they'll be based on CUNY schools throughout the five boroughs, IN2NYC Entrepreneurs will be bringing new jobs, services, and revenue streams into neighborhoods across the city. IN2NYC will help up to 80 selected entrepreneurs access the visas they need to grow their businesses in New York City,

creating more than 700 jobs for New Yorkers in the first three years alone. IN2NYC helps make sure that *all* New Yorkers, no matter our national origins, can contribute to and access our city.

A few months ago, the Mayor expanded EDC's **HireNYC program** to ensure that local community members have access to jobs created in their neighborhoods by City investments. As part of the now-citywide HireNYC initiative, EDC is expanding hiring, retention, and jobs requirements on additional projects. City construction projects of more than \$1 million will require developers, contractors and sub-contractors to consider qualified Workforce1 candidates as part of their talent pool.

And to ensure that our investments really do bring opportunity for *all businesses*, the Mayor recently announced an upgrade to our Minority- and Women-Owned Business Enterprise contracting policy. This builds upon programs we have substantially expanded at EDC that help MWBE firms with the tools, training, and networks to turn growth plans into action with city contracts.

His announcements include \$30 million in funds to help MWBEs better participate in City development work, through loan predevelopment financing, surety bonds, which are required before companies can be awarded work on city projects, and for emerging developers who face a specific financing gap.

Conclusion

To conclude, NYCEDC is engaged in the ambitious work of strengthening and diversifying our economy, but we still have a long way to go as we seek to increase opportunities for all New Yorkers. We remain committed to making New York City the global model for inclusive

innovation and equitable economic growth. With the continued support of, and partnership with, the City Council, I have every confidence that we will be able to leverage NYCEDC's resources even further so that we can achieve these critical goals. I am happy to answer any questions you have.

TESTIMONY BY
COMMISSIONER GREGG BISHOP
NEW YORK CITY
DEPARTMENT OF SMALL BUSINESS SERVICES
BEFORE
THE COMMITTEE ON ECONOMIC DEVELOPMENT
AND
THE COMMITTEE ON SMALL BUSINESS
OF THE
NEW YORK CITY COUNCIL
WEDNESDAY, MARCH 16, 2016

INTRODUCTION

(SLIDE 1) Good morning Chairman Garodnick, Chairman Cornegy and the members of the Committees on Economic Development and Small Business. My name is Gregg Bishop and I am the Commissioner of the New York City Department of Small Business Services ("SBS"). I am pleased to join President Maria Torres-Springer and my colleagues at the New York City Economic Development Corporation ("NYCEDC") to testify today. I am joined by SBS First Deputy Commissioner Jackie Mallon and my senior leadership team. (SLIDE 2)

Our agency's work is guided by the Mayor's vision of OneNYC, where government agencies work across silos to build a more vibrant and inclusive New York City economy. At SBS, we impact the everyday lives of New Yorkers by supporting small businesses as they start, operate, and grow; connecting individuals to quality jobs; and working with local organizations to foster thriving neighborhoods. Today, I want to share an update on our efforts over the last year to strengthen the City's support for jobseekers, small businesses, and commercial corridors in neighborhoods around the city. After my testimony, I am happy to take your questions.

(SLIDE 3) I will start by providing an overview of our agency budget. From there, I will delve into the services made possible through this funding. SBS' FY17 Preliminary Budget is \$172.1 million with a headcount of 295 employees. As you can see in Chart 1, this Preliminary Budget includes pass-through funding for other financial needs within City government: \$34.9 million for NYCEDC, \$18.2 million for NYC & Co., and \$12.4 million for Governors Island. The remaining \$106.6 million, or 62% of the FY17 Preliminary Budget, is allocated for SBS' programs. Chart 2 illustrates where this funding comes from: federal funds make up 42% of the \$106.6 million budget, which equals approximately \$44.3 million. The remaining \$62.3 million are City tax levy funds. Finally, Chart 3 illustrates how the \$115.3 million City tax levy funding is allocated between SBS and the conduits. Now, I am going to

focus on how this funding supports SBS' mission of empowering communities through our employment, business, and neighborhood services.

COMMUNITY ENGAGEMENT:

(SLIDE 4) As Commissioner I've made it my personal goal to more proactively engage with the communities we serve and make our services more accessible. So far in FY16 we have helped over 600 businesses around the city open faster through Business Acceleration, participated in over 500 community meetings through Neighborhood Development, had nearly 5,000 unique businesses participate in over 6,300 Business Development events and reached over 600 certified M/WBE firms through last year's Citywide Procurement Fair. And we've reached these stakeholders in partnership with the City Council.

This year, with the help of **Chairman Cornegy**, we worked with Chambers of Commerce across the five boroughs to get the word out about services offered by the Chambers and the City through **Chamber on the Go**. Individuals from SBS and the Chambers have gone door-to-door to speak about legal, financial and M/WBE certification services available to business owners. We've reached more than 850 businesses, with a goal of reaching 2,000 businesses this year. The **Neighborhood Development Grant Initiative**, spearheaded by **Chairman Garodnick** and funded by the Council, provides grants for community-based economic development organizations in each of New York City's 51 City Council districts. The proposed projects are currently underway, and scheduled site visits to track progress are planned for early spring. We have also partnered with community organizations and elected officials, including **Council Member Menchaca**, to hold a citywide series of Business PREP workshops to better prepare businesses for future emergencies. We look forward to continuing our work with the Council in the coming year.

SUPPORT FOR JOBSEEKERS

(SLIDE 5) At SBS, we are investing in the future of New York City's workforce and equipping jobseekers with the skills they need to build careers in the 21st century economy. Supporting the Mayor's *Career Pathways* strategic plan, our agency trains New Yorkers for good-paying jobs and connects jobseekers to employment opportunities in fast-growing industries with real opportunities for advancement.

Through our network of 16 Workforce1 Career Centers SBS trains and connects jobseekers to employment opportunities, and offers cost-saving recruitment services to businesses. In FY 2016 to date we have served over 77,000 jobseekers who started more than 17,000 new jobs as a result of receiving our services. In line with the Career Pathways strategy to help New Yorkers secure good-paying jobs in fast-growing sectors, SBS has instituted a job quality policy which requires businesses receiving free recruitment services through our Workforce1 Career Centers to hire employees for full-time positions or pay these employees wages of at least \$11.50 per hour. On April 1st, this wage floor will be increased to \$13.40 to ensure we are connecting workers to jobs with a living wage. As a result of these job quality policies, we have seen a significant increase in the percentage of New Yorkers connected to full-time work through our Workforce1 Career Centers –from 43% in 2013, to 72% in 2015. We have also seen a significant increase in the average wages for connected workers – from \$10.71 in 2013, to \$12.48 in 2015.

In working to provide higher quality jobs to the New Yorkers most in need, SBS is in the process of expanding the Workforce1 Career Centers network to offer services developed to address the challenges facing our city's most vulnerable populations. In December, we opened the **Rockaway Workforce1 Career Center** to offer career planning, candidate services, occupational trainings and financial counseling to the residents of the Rockaways. SBS worked closely with **Council Member Richards** and the Rockaway Workforce1 Community Experts Committee to make sure center offerings are responsive to the needs of local residents.

SBS is prioritizing support for New York City veterans through our **Workforce1 Veteran Priority1 initiative**, developed in partnership with the Robin Hood Foundation. Twelve Workforce1 Veterans Specialists at our centers provide services tailored to the needs of veterans and their spouses. So far in FY 2016, the program has served more than 4,000 veterans and their spouses with career services, and connected veterans to nearly 800 jobs. Through the **Employment Works** program, SBS is helping secure employment for New Yorkers formerly acquainted with the criminal justice system. For FY16, we are on track to serve approximately 3,000 New Yorkers, connecting these individuals to employment opportunities with an average wage of \$12.33 per hour.

SBS has significantly increased our commitment to occupational skills training, helping New Yorkers prepare for 21st Century jobs. Through this investment, we help New Yorkers enter and advance in the key sectors that drive New York City's economy. All of our training investments share two characteristics: 1) these trainings are designed to help low-income New Yorkers gain access to living wage jobs and 2) they are informed by industry, and designed to meet employers' needs.

One of the primary ways we align with industry is through our Industry Partnerships. Industry Partnerships work with industry, organized labor, non-profits, training providers, private philanthropy, and workforce organizations to build a pipeline of local talent to fill New York City's jobs. In the past year we have expanded our healthcare Industry Partnership, the New York Alliance for Careers in Healthcare (NYACH), and our tech Industry Partnership, the Tech Talent Pipeline. Collectively these Industry Partnerships represent more than 200 large and small employers and more than 140,000 jobs. SBS is now in the process of launching new Industry Partnerships in the construction, industrial, food service and retail sectors.

Connecting New Yorkers to good jobs with family-supporting wages both improves the lives of jobseekers, and also ensures that our growing local businesses have the world-class talent they need right here in the five boroughs. **HireNYC**, one of the largest targeted hiring programs in the nation, leverages SBS' network of Workforce1 Career Centers to connect New Yorkers to open positions created through the City's purchases and investments. Mayor de Blasio expanded HireNYC citywide

this October to cover all City goods and services procurement over one million dollars. Every year the City of New York spends billions of dollars on everything from social services to playgrounds. Through HireNYC and the Workforce1 Career Center system we are making sure that more New Yorkers have a first shot at jobs related to City projects, including those with our partners at EDC, and that employers have access to an expanded pool of talent.

SUPPORT FOR BUSINESSES:

(SLIDE 6) Small businesses are the economic building blocks of New York City – they strengthen our economy, anchor communities, create jobs, and add to the vibrancy of our neighborhoods. Growing up with my grandmother in Grenada, who supported our household as a woman entrepreneur, I came to understand first-hand that business ownership can empower a family and support greater economic opportunity for future generations. We are committed to ensuring our programming is accessible to all New Yorkers, which is why we have introduced initiatives for minority and women-owned firms, immigrant business owners, and women entrepreneurs.

SBS' network of seven **NYC Business Solutions Centers** provide free, high-quality services and courses to help businesses access capital, apply for M/WBE certification, navigate government regulations, and connect to qualified talent. In FY15 our centers served more than 6,800 businesses and we have already served 6,000 businesses to date in FY16. To provide assistance to industrial and manufacturing businesses SBS runs 7 **Industrial Business Services Providers** ("IBSPs"). In FY16 so far, our Industrial Providers helped more than 850 unique industrial businesses, surpassing the 550 businesses we served in FY15.

Last year, SBS – in partnership with the Mayor's Office of Operations and more than 15 City agencies – launched **Small Business First**, an unprecedented multi-agency initiative to reduce the regulatory burden on small businesses. The City conducted robust outreach efforts that engaged government agencies, businesses and community leaders; collecting more than 600 ideas and unique

comments. The resulting 30 recommendations will make it easier for business owners to interact with the City and increase compliance through better communication, outreach, education, and streamlined processes. In the past year, as part of this initiative we've expanded our team of client managers to provide one-on-one assistance to businesses owners, created plain language guides, held nearly 100 educational outreach events, and introduced two new digital tools that help business owners avoid the most common violations and better understand regulations. Since the launch of Small Business First, more than 600 additional violation codes can now be resolved online, by phone, or by mail so that a business owner can contest a violation remotely, without having to leave his or her business. Through Small Business First, **Compliance Advisors** will begin consulting with businesses this spring.

Compliance Advisors are a new type of City employee who will educate small businesses on how to avoid common violations. These common sense reforms make it easier for businesses to interact with the City and increase compliance, so that New York City's hard-working small business owners can focus more on running and growing their businesses, and less on dealing with government.

(SLIDE 7) At SBS, we know that immigrant communities are key contributors to the diversity and vibrancy of our economy, making up a third of the city's population and accounting for nearly half of the small business community. SBS is partnering with New York City's three library systems to help reach immigrant entrepreneurs directly in their neighborhoods. To better serve immigrant entrepreneurs through all our programs, SBS is focused on increasing access to our services through non-English offerings. Under the de Blasio administration, SBS has increased the number of non-English business courses offered at our NYC Business Solution Centers by more than six-fold, providing instruction in eight languages: English, Spanish, Chinese, Korean, Russian, Haitian Creole, Arabic and Bengali. With support from Citi Community Development, SBS launched the **Immigrant Business Initiative**, to better serve immigrant small businesses by working with community-based partners to develop on-the-ground solutions, one-on-one counseling, and community-based outreach in five languages – Spanish, Chinese, Korean, Russian, and Haitian Creole. In 2015, IBI partners served nearly 1,500 small

business owners and entrepreneurs, over 90% of which came from low-to-moderate income communities. This year, we added an additional provider to serve the Bengali community.

We know that women entrepreneurs are key economic actors in New York City – building businesses that support families, uplift communities and generate jobs. Under the leadership of Deputy Mayor Glen, SBS launched **WE NYC** (Women Entrepreneurs NYC) a first-of-its-kind effort in a major American city to address the entrepreneurship gender gap, with a focus on underserved communities. Through extensive research and engagement efforts, SBS connected with more than 1,500 women entrepreneurs to learn more about the unique challenges and opportunities faced by women-owned businesses. In February we announced the program's 17 WE Connect Mentors, who will provide advice to other women entrepreneurs through in-person meetings, online chats, and blog posts. This spring the City will also launch the WE Connect Portal– a one-stop digital portal for women entrepreneurs -highlighting success stories, business resources, events, and classes.

(SLIDE 8) SBS operates the City's Minority and Women-owned Business Enterprise ("M/WBE") program with a goal of ensuring that the City's procurement reflects the diversity of our business owners. To make it easier for businesses to certify as M/WBEs, we launched our **NYC Online Certification Portal** last year and have already received more than 450 M/WBE applications. In FY 2015, there were 1,003 firms newly certified and re-certified as M/WBEs, bringing the total to 4,115. In April of 2015, Mayor de Blasio set an ambitious goal of awarding a minimum of \$16 billion over the next ten years to M/WBEs certified with the City of New York. During FY 2015, the City awarded over \$1.6 billion to M/WBEs, and we are on track to reach the \$16 billion goal.

Strong community partners extend the reach of SBS's certification outreach efforts, including the New York City Council-funded community-based organizations that comprise the M/WBE Leadership Association. In FY 2015, member organizations sponsored 88 events and hosted 1,153 one-on-one assistance sessions. During FY 2015, SBS held two Citywide Procurement Fair events, helping to

connect over 1,200 minority and women-owned businesses to public and private contracting opportunities and other resources. On May 24th SBS will host our **10th Annual Citywide Procurement Fair** at BNY Mellon and we encourage all of you to join us.

SBS' M/WBE program is committed to building the capacity of certified firms to successfully compete for and win City contracts. Through our **Selling to Government Services** and **Technical Assistance Program**, we offer monthly workshops and one-on-one assistance to help business owners navigate the City's procurement system and submit the most competitive bids for contracts. In partnership with 13 corporations, our **Corporate Alliance Program** helps firms connect with private-sector contracting opportunities. We offer long-term trainings such as **Strategic Steps for Growth**, a nine-month executive education program designed for M/WBEs, offered in partnership with the NYU Stern School of Business. The City has also committed to establishing an **M/WBE Bond Surety Fund and Upfront Capital Loan Program** to provide collateral assistance to M/WBEs attempting to obtain bonds as well as low interest loans to City-certified M/WBEs. This will provide firms with the support and capital they need to compete for contracts.

To support the infrastructure of the City's M/WBE procurement policy and assess the presence and prevalence of marketplace discrimination against minority-and women-business enterprises, the City is now in the process of undertaking a **disparity study**. The City and our selected vendor, MGT, are currently planning significant outreach efforts, and expect to begin connecting with the city's business community this spring. This will include community meetings across the city, discussions with community stakeholders, and a robust traditional and social media campaign. We will continue to engage with the City Council to aid in these outreach efforts.

SUPPORT FOR COMMERCIAL CORRIDORS:

(SLIDE 9) SBS also provides support at the neighborhood level, partnering with community-based organizations to foster neighborhoods where local businesses thrive and vibrant commercial corridors

where New Yorkers can shop, work, and live. We believe that working with on-the-ground partners is essential to tackling the unique challenges faced by New York City's diverse communities. To support neighborhood-level economic development, SBS oversees the city's network of 72 Business Improvement Districts (BIDs), with 47 BIDs outside of Manhattan. These BIDs deliver more than \$127 million in supplemental services.

SBS provides financial support to other neighborhood-based community organizations through additional programming, grants, staff support, and capacity-building. For example, the **Avenue NYC** grant program funds organizations in low- to moderate-income areas to implement commercial revitalization activities that benefit businesses and local residents. Currently, we are managing \$1.39 million in Avenue NYC grants for 56 projects at 47 organizations, covering such work as merchant organizing, business attraction and retention, and place making initiatives.

Additionally, SBS runs the **Neighborhood Challenge** grant program in partnership with EDC to provide \$500,000 to support catalytic projects that solve commercial district and small business challenges. Since launching, Neighborhood Challenge has awarded 26 organizations nearly \$1.7 million in grants for innovative projects including storefront improvements, district marketing campaigns, property and public space activations, and public art installations. Last month, SBS and EDC announced the six 2016 Neighborhood Challenge winners and launched NeighborhoodChallenge.nyc, a new website to showcase current and past projects that can serve as bold, creative and replicable case studies for communities throughout New York City.

SBS has been closely involved in the Mayor's plan for tackling the affordable housing crisis holistically. SBS's new Neighborhood Planning team is supporting DCP, HPD, and EDC by leading business engagement to ensure that businesses, stakeholders and CBO voices in the neighborhoods being rezoned are heard. To proactively address the unique and diverse characteristics of the city's main streets we have started the work of **Neighborhood 360°**, a comprehensive approach to

neighborhood development that embraces ground-up community engagement and planning to identify, develop, and launch customizable, place-based commercial revitalization programs & services.

VISION MOVING FORWARD

(SLIDE 10)

Moving forward, I will ensure SBS works harder to connect communities across the five boroughs to our employment, business, and neighborhood resources – providing critical opportunities for all New Yorkers to compete, thrive, and contribute to our city's economy. Specifically, I am committed to increasing awareness about the services we offer and making sure there is no wrong door at our agency when a New Yorker comes to us in need of help.

Thank you and I would be happy to take your questions.



**Center for
Family Life
in Sunset Park**

SCO Family of Services

TESTIMONY

Of

**The Center for Family Life in Sunset Park, a program of SCO Family
of Services**

New York City's Worker Cooperative

**Business Development Initiative: Worker Cooperatives- A
Successful Model for Small Business"**

Presented to

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Hon. Robert Cornegy, Chair

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Emma Yorra, Co-Director of Cooperative Development

Opening

Good afternoon, Chairperson Cornegy, and the distinguished members of the New York City Council Committee on Small Business. On behalf of the New York City Worker Cooperative Coalition, we want to thank you for this opportunity to testify on the economic and social opportunities inherent in the structure of worker cooperatives and to share the successes we have achieved thus far through the implementation of the Worker Cooperative Business Development Initiative (the Initiative) as we look ahead to supporting the creation of more businesses, dignified jobs, and shared prosperity for New York City residents in FY 2017.

As a member of the New York City Worker Cooperative Coalition (the Coalition) the Center for Family Life, a program of SCO Family of Services, is honored to testify in front of you today and detail the amazing work The Worker Cooperative Business Development Initiative (The Initiative) has done in New York City.

Income inequality is one of the toughest problems we face as a society today. We see it in the platform the mayor was elected on. We live in this “tale of two cities”, and we seek innovative solutions that can give us jobs, productivity, and wealth in a way that is inclusive, and truly raises all boats. Worker cooperatives are a vehicle for such community wealth creation strategies.

New York City is already a cooperative capital in many senses of the word. From the resident-owned apartments of Coop City in the Bronx to the consumer-owners buying groceries in the Park Slope Food Coop in Brooklyn, to the credit union members across the city, New Yorkers are used to owning and controlling the economic institutions most important to them. The growing movement of workers owning their own businesses is an extension of this logic.

In the first year alone of support from the City Council, we doubled the number of worker coops in this city. Now with our second year of support, we have continued to build on that work, making New York number one in the country for both the quantity of worker cooperatives and the number of worker owners. What is even more remarkable is that this is a movement for community wealth building that is driven by the workers who have longest been at the margins, facing the lowest wages and the most precarious working conditions. The average worker owner in New York City is a low-income Latina woman. Many were victims of wage theft and paid minimum wage or even below before joining their cooperatives. Many of the worker owners that we support at the Center for Family Life in Sunset Park have seen their wages triple from their work in the coops, and they have gone from being solitary, unprotected workers, to being business owners leading and managing their own enterprises.

I have personally witnessed many compelling, transformative experiences of women in these cooperatives. One member of Si Se Puede Women’s Cleaning Cooperative told me how her increased earnings from the coop enabled her to take her kids grocery shopping and buy them nutritious food that they had been unable

to afford previously. Another member of Beyond Care Child Care Cooperative told me how she never used to leave her house before joining the cooperative, and suffered from obesity and depression, but now is an active member of her community, serving in her cooperative's leadership structure, and providing loving nanny services to her clients.

While thanks to the support of this visionary City Council, New York is now leading the nation in worker cooperatives, and inspiring other cities to follow in its path, we still have a long way to go. We see models such as Mondragon in Spain and Emilia Romagna in Italy that are true cooperative economies, where people work, bank, live and study in cooperative institutions. These are also tremendous examples of successful small business creation. While in the "entrepreneur-friendly" US, only 1 out of 5 small businesses will survive beyond 5 years of age, in the Mondragon Cooperative Corporation in Spain, that number is a whopping 97%. These are models that support and empower workers to unleash their entrepreneurial visions while receiving sufficient support and capital to make those dreams a reality. This is the world we are constructing with your support. The Center for Family Life sincerely thanks the City Council for all of its contributions to this field, and is excited about the work that can be done with continued assistance.

It is because of this we ask the City Council to continue your support of worker cooperatives, and enhance the Worker Cooperative Business Development Initiative to \$3.8 million.

Thank you



EVERGREEN

Your North Brooklyn Business Exchange

Testimony of Evergreen to NYC Council Committees on Small Business and Economic Development March 16, 2016

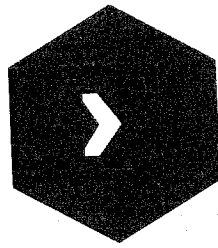
Evergreen (formerly EWVIDCO) is a membership organization that helps the nearly 1000 industrial businesses in North Brooklyn to grow in order to keep their 11,700 quality blue collar jobs in our community. This represents 14% of the City's manufacturing employment base. I would like to highlight the recent work that our organization has accomplished through the Industrial Business Zone (IBZ) program, and request that additional funding be allocated for the program citywide.

Manufacturing is alive and well in North Brooklyn, and for the past 30 years Evergreen has fought to keep it that way. North Brooklyn companies make everything from bespoke suits to architectural steel, from store installations for Park Avenue boutiques to fortune cookies for corner takeout joints. This is a dynamic combination of businesses old and new, traditional and innovative, big and small. But what they create most are good paying jobs for the people who live here. Evergreen serves as their voice in the community and advocate beyond it. We help these businesses get financing, find real estate, access incentive programs, and work tirelessly for support from city, state and federal government. Evergreen has worked to keep North Brooklyn booming. As a result, New York City can continue to be a place where actual *things*, and not just ideas, are made.

In 2015, Evergreen staff served more than 225 individual businesses. We obtained \$4.7 million in financing for 5 local firms. We managed 22,200 square feet of affordable industrial real estate to retain more manufacturing jobs in our community. And staff helped 35 businesses navigate government agencies 49 times resulting in 29 successful outcomes! More than 100 firms sent attendees to our social mixers, 75 firms attended informational workshops and 85 firms received one-on-one assistance from Evergreen staff.

Evergreen continues to extend its role as the voice for businesses in industrial North Brooklyn. We represented their interests at public hearings and community meetings. We brought elected officials, like the membership of your City Council committees to meet our businesses and their employees so they could really understand the impact of the policies they develop. We advocated with City, State and Federal officials to help them understand the impact of the Superfund process on the local economy, and we educated the local businesses about how the process might affect them. We continued to serve as the connection between the business and residential community for a variety of issues such as vehicle safety and truck routes. In addition to broad based efforts, we worked with individual businesses to navigate government agencies to resolve a variety of issues such as permits, tickets, graffiti removal, illegal dumping, utilities and signage. We are able to accomplish these outcomes for our local businesses as a result of our longstanding relationship within the local business community.

Appropriate levels of funding for the IBZ program will ensure that we will be able to serve the many businesses that rely upon us for advice and support. Through the IBZ program, Evergreen is the portal for



EVERGREEN

Your North Brooklyn Business Exchange

local industrial businesses to access city and state programs designed to help them. They rely on our expertise and relationships to help their firms grow in the community. We're their friend and confidant, and they feel good about us. As a 30-year old membership organization, Evergreen leverages the longstanding relationships it has with local businesses to promote and enroll firms in new public programs, ensuring their success (NYC Business Solutions Training Grants, Workforce One Manufacturing Center). As an independent 501 ©3 nonprofit, Evergreen is able to augment city investment with donations from individuals and foundations, producing more bang for the buck. Additionally, IBZ funding for administrative overhead allows us to put other public and private funding investments (such as Avenue NYC, capital grants for real estate development) straight into program delivery. Finally, Evergreen is an integral member of the community, and can serve as a liaison between local businesses, residents and city and state agencies when issues arise. We keep close tabs on the business community, and are able to quickly produce data for city staff as it is needed.

North Brooklyn's industrial businesses face many challenges. Manufacturing company closure and job loss in North Brooklyn and Greenpoint / Williamsburg is significantly and disproportionately higher than losses in other parts of Brooklyn and Queens in the last decade. This disparity is the result of additional pressure —i.e., residential conversion— on industrial firms and businesses in those areas, beyond industrial businesses in other parts of the city. Even in this time of economic decline, there is very low vacancy in North Brooklyn's industrial area—about 7%.

Our community needs these jobs. Nearly 40% of the industrial workforce live in the local area. These jobs, on average, pay our residents 73% more than local retail establishments; or \$52,842 vs. \$30,620 annually. Additionally, over 60% of manufacturing jobs offer benefits, compared with 30% of service jobs. Also, these jobs frequently do not require English proficiency or advanced education. Considering 20% of our local residents do not speak English, 31% live at or below the poverty line and nearly 37% of are on some form of public assistance, these jobs offer the best path to self sufficiency and economic security for our community residents.

Protecting and promoting our industrial sector is crucial to the city's overall economic development. The sector provides close to 500,000 jobs in New York City, making up nearly 15% of the city's workforce, and contributed \$1.7 billion in tax revenues. The manufacturing and industrial sector is not only a strong component of our economy but a reliable source of jobs for many of our fellow New Yorkers.

Thank you for this opportunity to discuss how we are able to nurture jobs in our community through the Industrial Business Zone program, and thank you again for your support.

(Insert your organizational logo here)

**TESTIMONY
Of
(Sunset Scholars)**

**New York City's Worker Cooperative
Business Development Initiative: Worker Cooperatives- A Successful
Model for Small Business"**

**Presented to
New York City Council, Committee on Small Business Services
Hon. Robert Cornegy, Chair
Wednesday, March 16, 2016**

**Prepared By:
(Sunset Scholars)**

Opening

Good afternoon, Chairperson Cornegy, and the distinguished members of the New York City Council Committee on Small Business. On behalf of the New York City Worker Cooperative Coalition, we want to thank you for this opportunity to testify on the economic and social opportunities inherent in the structure of worker cooperatives and to share the successes we have achieved thus far through the implementation of the Worker Cooperative Business Development Initiative (the Initiative) as we look ahead to supporting the creation of more businesses, dignified jobs, and shared prosperity for New York City residents in FY 2017.

As a cooperative incubated by the New York City Worker Cooperative Coalition (the Coalition) **(Sunset Scholars)** is honored to testify in front of you today and detail the amazing work The Worker Cooperative Business Development Initiative (The Initiative) has done in (Sunset Park)

I have been living in Sunset Park for almost 23 years and attended events hosted by the Center for Family Life in Sunset Park (CFL) around 2006 which was when the organization first started to incubate worker cooperatives. As the daughter of immigrants, I experienced the struggles my parents underwent with earning decent income and having good working conditions. In 2008, our family's caseworker urged my mom to apply to a new nanny cooperative that CFL was starting. My mom was accepted as a founding member of the cooperative now known as Beyond Care Childcare Cooperative.

As a founding member, my mother spent most of her time at meetings and donating her time caring for groups of children to nonprofit organizations in order to get the cooperative known to the city. It took her a year and a half to secure a part time job through the cooperative and four years to secure her first full time job through the cooperative. Now, eight years later, the cooperative is better known across the city. My mother thankfully has a decent, steady income from a part time job which she can afford because of the rates that the cooperative sets for its members. Now, not only does she bring a steady income into our household but she also has time to spend with our family and to focus on her health.

While living in Sunset Park, I followed CFL's journey with cooperative development and applied to become a founding member of their tutoring cooperative in February 2015. Our tutoring cooperative, Sunset Scholars, contracted with another CFL cooperative, Golden Steps, in April 2015. Six tutors and I worked under that contract two months after we were recruited which means we obtained work pretty quickly. We are currently eleven tutors and as their office manager I am happy to see that we are very busy with jobs to the point that we need to add more tutors. Sunset Scholars is having an open house tomorrow March 17th and we are happy to create more employment opportunities in the community as all the other cooperatives do.

It is because of this We ask the City Council to continue your support of worker cooperatives, and enhance the Worker Cooperative Business Development Initiative to \$3.8 million.

Thank you
Adriana Mendoza



THE WORKING WORLD

TESTIMONY

Of

The Working World

**New York City's Worker Cooperative
Business Development Initiative: Worker Cooperatives- A Successful
Model for Small Business"**

Presented to

New York City Council, Committee on Small Business Services

Hon. Robert Cornegy, Chair

Wednesday, March 16, 2016

Prepared By:

Smiley Rojas-Nunez

Good afternoon, Chairperson Cornegy, and the distinguished members of the New York City Council Committee on Small Business. On behalf of the New York City Worker Cooperative Coalition, we want to thank you for this opportunity to testify on the economic and social opportunities inherent in the structure of worker cooperatives and to share the successes we have achieved thus far through the implementation of the Worker Cooperative Business Development Initiative (the Initiative) as we look ahead to supporting the creation of more businesses, dignified jobs, and shared prosperity for New York City residents in FY 2017.

As a member of the New York City Worker Cooperative Coalition, The Working World is honored to testify in front of you today and detail the amazing work The Worker Cooperative Business Development Initiative has done in New York.

The Working World (TWW) creates community-based economic development through innovative financing and support to worker-owned businesses that build income and assets in under-resourced communities across NYC.

We put finance back into the hands of working people using an award-winning innovation called "inclusive financing" that doesn't require the prohibitive barrier of collateral. Using "inclusive ownership", we focus finance on businesses with a large base of stakeholder ownership, such as cooperatives owned by workers or a community. In these past two years, thanks to your approval of our budget proposals, we have been able to hire new staff which has increased our overall ability to handle more projects. I am one of those new hires, and as a native New Yorker, I cannot express how honored I feel to be working for an organization that is helping to stem the tide of gentrification.

A consequence of the rapid development of certain areas of our city has been the unfortunate displacement of many low income individuals from neighborhoods they helped to make unique and diverse. One way in which TWW is working to combat gentrification is through the expansion of our worker cooperative academy. In partnership with Northeast Brooklyn Housing Development Corporation, we hosted a 10-week course where Bedford Stuyvesant residents learned about the many ways in which worker-cooperatives could offer them the potential to earn a living wage and ownership of a business in their community. At our Bed-Stuy training we met individuals who were interested in starting brand new small businesses, employees who shared the idea of cooperatives with their bosses and convinced them to convert their traditional businesses into worker cooperatives, and business owners who saw worker ownership as a way to engage their employees and secure the sustainability and growth of their business.

At the end of our academy we were able to start the process of converting two businesses into worker cooperatives which will create a total of 8 new owners. This was a great victory for us because when owners who are not from the neighborhood sell to workers who are from the neighborhood, the likelihood that the business will stay in the neighborhood increases. Members of a community owning the small businesses that serve their community also lessens that community's dependency on outsiders. To strengthen this effort of worker-ownership in Bed-Stuy, TWW will soon be launching a steering committee comprised of community members who will be seeking out business conversions and hosting events to further educate the community on the benefits that worker owned businesses can provide.

Beyond Bed-Stuy TWW is also leading or collaborating on over 20 other worker cooperative projects around the city.

In closing, I would like to reiterate the power that worker cooperatives have to create a culture of ownership within under resourced communities.

It is because of this We ask the City Council to continue your support of worker cooperatives, and enhance the Worker Cooperative Business Development Initiative to \$3.8 million.

Thank you

**URBAN
JUSTICE
CENTER**



COMMUNITY DEVELOPMENT PROJECT

TESTIMONY

Of

The Urban Justice Center, Community Development Project

**New York City's Worker Cooperative Business Development
Initiative: Worker Cooperatives – A Successful Model for Small
Business**

Presented to:

**New York City Council, Committee on Small Business Services
Hon. Robert Cornegy, Chair
Wednesday, March 16, 2016**

Presented by:

**Melissa Risser, Staff Attorney
Urban Justice Center
Community Development Project**

**123 William St., 16th Floor
New York, NY 10038
Phone: 646.459.3004 | Fax 212.533.4598**

Good afternoon Chair Cornegy, and distinguished members of the Committee on Small Business. On behalf of the New York City Worker Cooperative Coalition, I want to thank you for this opportunity to testify on the economic and social opportunities inherent in the structure of worker cooperatives and to share the successes we have achieved thus far through the implementation of the Worker Cooperative Business Development Initiative (the Initiative) as we look ahead to supporting the creation of more businesses, dignified jobs, and shared prosperity for New York City residents in FY 2017.

My name is Melissa Risser, and I am a Staff Attorney at the Community Development Project (CDP) of the Urban Justice Center. The Community Development Project strengthens the impact of grassroots organizations in New York City's low-income and other marginalized communities by providing legal support – we bring cases, publish community-driven research reports, assist with the formation of new organizations and cooperatives, and provide technical assistance in support of their work towards social justice. For more than twelve years, CDP has collaborated with community organizations to help low-income NYC residents form worker-owned cooperative businesses.

Through the generous funding we received as part of this fiscal year's Worker Cooperative Business Development Initiative, CDP has been able to increase our capacity to work with 16-18 new and existing cooperatives this year alone. We have partnered with several community organizations that have incubated cooperatives, including the Center for Family Life, Make the Road New York, Damayan Migrant Workers Association, and Green Worker Cooperatives. We have collaborated with the Center for Family Life for their "CBO Training," which trains community organizations across the city to become "coop incubators". We have also collaborated with Small Business Services (SBS) to better complement each other's services.

Three examples of our current work with worker-owned coops and their impact on NYC communities include:

Damayan Cleaning Coop. – CDP has provided free legal services to *Damayan Cleaning Cooperative*, a women's commercial cleaning cooperative. This coop was incubated by Damayan Migrant Workers Association, a Filipino workers' right organization. Damayan Cleaning Cooperative is the first ever business in the United States where the worker-owners are Filipina migrant workers, many of whom are survivors of labor trafficking. Members are not only small business worker-owners-entrepreneurs, but are also committed to organizing for the rights of low-wage, migrant, domestic workers. CDP will provide ongoing legal guidance to the cooperative as they continue to expand and create key jobs that pay well and provide their workers with an opportunity to have work with dignity.

KALUK Cooperative – CDP has provided free legal services to the youth cooperative *KALUK*, which provides guerilla marketing services. For those unfamiliar with the term, guerilla, or grassroots, marketing takes unconventional approaches to advertising, such as targeted promotions in public places and public relations stunts, like flash-mobs, intended to get results and create a memorable experience. *KALUK* is being incubated by Good Shepherd Services, a nonprofit based in Red Hook Brooklyn, with the support of the Center

for Family Life, to address the needs of youth employment in Red Hook, create a safe and diverse workplace for the youth, and to bring needed services to small businesses in the community. As a community –based business, *KALUK* was contracted by Councilmember Menchaca to assist with his district’s participatory budgeting engagement process. Most of the founding members of *KALUK*, are recent graduates of South Brooklyn Community High School. CDP will provide ongoing legal guidance on development of governance structures and documents, contracts, and other start-up issues.

United Handymen – CDP has provided free legal services to *United Handymen*, a new cooperative that provides residential and office-based handymen services, and will offer home improvement services as well. *United Handymen* was incubated by the Center for Family Life in Sunset Park. The members are all immigrant men. The Cooperative offers the members an opportunity for safe, and stable work – the group has all necessary insurance and licensing – in an industry that is rampant with wage theft and workplace injuries. CDP will provide ongoing legal guidance on governance structures and documents, contracts, permits and licensing, and other start-up issues.

These are just a few examples of successful coops that strengthen NYC communities and improve the lives and incomes of community members. In each case, specialized legal services were necessary to assist members with worker coop support. CDP was there to provide those services and is committed to continuing this work of combating poverty and empowering workers in NYC’s low-income communities. However we need continued funding to do that. We respectfully request the Council continue to support worker cooperatives, and enhance the Worker Cooperative Business Development Initiative to \$3.8 million dollars.

Once again, thank you for the opportunity to testify.



Communities for Healthy Food NYC

NORTHEAST BROOKLYN HOUSING DEVELOPMENT CORPORATION
132 Ralph Avenue, Brooklyn, NY 11233

718-453-9490 x229 bbockman@nebhdco.org www.nebhdco.org

NEBHDCo Submitted Testimony on Small Business Budget for Fiscal Year 2017 Hearing of the New York City Council Committee on Small Business

Submitted Wednesday March 15th, 2015

Thank you Chair Robert Cornegy, and Small Business Committee Members, for considering this testimony supporting Communities for Healthy Food's request for City Council Citywide Discretionary Funding in the amount of \$1,300,000. My name is Bianca Bockman, I am the Community Healthy Food Advocate at the Northeast Brooklyn Housing Development Corporation, also known as NEBHDCo. I am submitting this written testimony on behalf of Communities for Healthy Food (CfHF), a coalition of community development corporations, and NEBHDCo.

About NEBHDCo

As a leading affordable housing developer in central Brooklyn since 1985, to date NEBHDCo has planned, joint-ventured, and developed over 2,100 housing units across New York City. This totals over \$109 million in capital investments, creating nearly 600 new community jobs. NEBHDCo self-manages 929 residential units and 17 commercial units in 92 buildings. Our Community Programs Department works across two broad areas: Healthy Food and Living, and Tenant and Community Supports. Programming includes:

Healthy Food and Living:

Golden Harvest Food Pantry, emergency food and benefits supports in a beautiful new 2-story facility:

- Emergency food distribution on the main floor, supermarket-style client choice model
- Increased availability of and education about fresh produce, including from local sources
- Demonstration kitchen, classroom and 3-station benefits center on the second floor

Communities for Healthy Food Bed-Stuy, a food justice and food access initiative, with a holistic approach to bettering the food system in Bed-Stuy through five main program areas:

- Urban Gardens and Farms: Three gardens/urban farms growing food for the pantry, a fourth food garden at our senior residence building, and a hydroponics facility in planning stages. One urban farm includes a paid youth internship and training program. Planning for a school partnership to begin in Fall 2014
- Advocacy and Community Building: Food Empowerment Education and Sustainability Team (FEEST) brings together youth to prepare and share great healthy food and engage in social issues that affect their lives; community events such as film screenings, book signings and cooking events gather community, to identify leaders for future organizing and encourage healthy eating
- Culinary and Nutrition Knowledge Sharing: Programs that support community members to learn and teach culinary skills and nutrition basics. Our Just Food Community Chef training program began in July 2014. A total of 18 chefs were trained, and are now leading cooking demonstrations and culinary classes throughout the neighborhood and across our programs. Family Cook Productions Adult and Family cooking classes led by NEBHDCo Community Chefs began in November 2014 and will continue in 2015.
- Retail Work: Working with existing retail, such as bodegas, to increase healthy food options. New food retail options: with Harvest Home, in July 2014, opened a new Farmers' Market for low-income people; developing a new Central Brooklyn Food Co-op, with local partners and residents
- Good Food Jobs: Food industry jobs training, and workshops and entrepreneurial support for cooperative food businesses

Tenant and Community Supports:

- Benefits referrals: Either provided directly or through referrals to local partner agencies: virtual tax prep, SNAP, immigration services, legal services, health screenings and insurance information, SCRIE & DRIE assistance
- Employment and educational supports: through outreach and testing at our Opportunity Resource Center, referrals to local workforce partners including St. Nick's Alliance, the HOPE Program, Bedford Stuyvesant Restoration Corporation, Opportunities for a Better Tomorrow. Onsite classes and a 4-station computer lab are also in development.
- Kosciuszko Garden Learning Center, a beautiful ornamental public garden at 385 Kosciuszko Street, available for public and private use
- Winter coat drives, Back to School events, Thanksgiving community meals

Overview

Communities for Healthy Food (CfHF) NYC is an innovative approach to expand access to affordable, healthy food in four of New York City's economically challenged communities through community-based organizations. This **place-based initiative** integrates access to healthy and affordable food into every aspect of our comprehensive community development work – through resident outreach, nutrition education and cooking classes, creating new or improved healthy food outlets and generating food-sector jobs. When thinking of innovative ways to provide services, we keep in mind the vulnerable population we serve which, includes the seniors.

2015 Accomplishments of all Communities for Healthy Food Program Partners

Building upon the solid framework established through the 2013 planning year, and 2014 implementation year, CfHF has made notable progress during its second year of implementation. Here is a summary highlighting program numbers in 2015 and key accomplishments.

- Provided over 500,000 pounds of emergency food for close to 35,000 pantry clients.
- Held CfHF program activities for more than 10,000 neighborhood residents this includes: farm shares, youth programming, cooking and nutrition classes, farmers market and grocery store tours, and cooking demonstrations
- Trained close to 800 neighborhood residents, CDC staff, or partner organizations on healthy food resources and services in the neighborhood, importance of healthy eating, and nutrition and gardening skills
- Hosted close to 100 nutrition education workshops and roughly 250 cooking classes for over 1,500 youth, adults, families, and senior populations. These courses provided hands on culinary training, practicing a variety of cooking methods, examining nutritional profiles of different foods, and providing community building and leadership development opportunities.
- Led more than 200 free cooking demonstrations providing free, healthy food samples and recipe cards for approximately 5,000 residents at neighborhood food outlets, senior centers, schools, farmer's markets, CSA distribution sites, food pantries, and community events.
- Referred/enrolled almost 750 families in public nutrition assistance programs, like the federal Supplemental Nutrition Assistance Program (SNAP), formally known as food stamps.
- Trained 27 residents to become Community Chefs and created 20 Community Chef positions
- Trained and hired 25 youth to become urban gardeners, farmer's market staff, interns and healthy food leaders/educators.
- Implemented healthier school food menus and food education at six neighborhood schools through NSA and CHLDC that impacted approximately 1800 children and 200 parents.
- Connected directly with close to 8,000 residents through neighborhood outreach and awareness campaigns.
- Established one new neighborhood farmer's market and continued to develop and improve advertising, outreach, and nutrition/culinary education opportunities at two existing farmer's markets.
- Enhanced or created 10 community gardens utilizing more than 250 volunteers, and educated over 350 community residents in urban farming and cultivation techniques through 35 workshops.
- Increased healthy food options and infrastructure in four bodegas and/or supermarkets including installing outdoor produce shelving, a walk-in produce refrigerator, and purchasing a juicer; diversifying the variation of fruits and vegetables made available; introducing healthy to-go food ideas; and expanding colorful signage featuring healthier meal options and substitutions.

NEBHDCo's Small Business Programming Highlights

Community Chef Program

In July of 2014, we took 18 community members through the Just Food Community Chef Training and we now hire them to lead culinary courses and workshops. We pay them well - \$25 - \$50/hour for most projects. The FY16 city council funding enabled us to further expand this program and we will be running and second training this spring, and adding more chefs to our roster. In 2016, we will be paying our chefs at least \$52,000 for their assignments. Continued funding will allow us to add more work opportunities for more chefs.

Bodegas

In partnership with City Harvest, NEBHDCo has been working with bodegas to increase healthy product stocking – including fruits, vegetables, prepared food such as pre-cut fruit, smoothies, and salad, and shelf-stable items as well. NEBHDCo's community chefs have done cooking demonstrations as promotional events for the stores as well.

New Retail

NEBHDCo has also been partnering with the Brooklyn Movement Center and community residents to start the Central Brooklyn Food Coop. Since 2014, we've worked with Harvest Home Farmer's Market to open the Marcy Park Farmer's Market, catering to low-income residents. These new retail outlets offer more job opportunities and create economic growth for our community.

The Bed-Stuy Cooperative Business Project

Since 2014, we have been working in partnership with The Working World to start the Bed-Stuy Cooperative Business Project. In March of last year, we launched a 10-week course to teach people about starting worker-owned cooperative businesses. More than traditional businesses, coops tend to create long-term, stable jobs, have sustainable business practices, and be more accountable to their community. NEBHDCo is the community anchor for this project. We now have two established community businesses converting to the cooperative model and a third one getting off the ground. We have also established a steering committee to continue to drive this work forward. In the months to come, we expect to run another course that will incubate more businesses. With TWW, our goal is to establish a revolving loan fund for the neighborhood and continue to support these new businesses with Technical Assistance and Financing.

Impact of expanded City Council Funding for Communities for Healthy Food

We respectfully request \$1.3 Million in City Council funding which will allow CfHF organizations, which will allow us to heighten program impacts and expand the program's reach to more low-income families. These efforts will give individuals the tools they need to create healthier lives and build demand for healthy food. These funds will enable nonprofits, community-based organizations, city departments, and funders to partner with NYC businesses and investors to provide a better infrastructure for healthy food in underserved neighborhoods.



Communities for Healthy Food NYC

City Council Fiscal Year 2017 Request

Program Design

Communities for Healthy Food NYC (CfHF) is an innovative approach to expand access to affordable, healthy food in New York City's most economically challenged communities. Local Initiatives Support Corporation New York City (LISC), in collaboration with four community based organizations, launched this place-based initiative to integrate access to healthy and affordable food into every aspect of our comprehensive community development work – resident outreach, nutrition education and cooking classes, creation of new or improved healthy food outlets and generation of food-sector jobs.

Program Partners

In 2014, CfHF launched in four high need neighborhoods across the city in partnership with the following community based organizations: (1) Cypress Hills LDC in Cypress Hills/East New York, Brooklyn; (2) New Settlement Apartments in Mount Eden, Bronx; (3) Northeast Brooklyn Housing Development Corporation in Bedford-Stuyvesant, Brooklyn and (4) West Harlem Group Assistance in West Harlem. In 2016, we are partnering with the Banana Kelly Community Improvement Association in the Hunts Point/Longwood section of the Bronx and with Ocean Bay Community Development Corporation in the Arverne neighborhood of Far Rockaway, Queens.

Program Outcomes

CfHF has improved the food infrastructure in target neighborhoods both by increasing access to healthy food and improving the day-to-day eating habits of low-income seniors, households with young children, and young adults aged 16-24. Over 80,000 households have been provided services. Overall the initiative accomplished higher than expected programmatic impacts that increased significantly - in some cases doubled – from the first to the second year of implementation, 2014 and 2015 respectively. Cumulative accomplishments include: (1) 750,000 pounds of emergency food delivered to over 50,000 food pantry clients; (2) 15,000 households engaged through one-on-one neighborhood outreach, (3) 1,350 households enrolled in the Supplemental Nutrition Assistance Program (SNAP); (4) the creation of 15 new farmers markets or farm shares/gardens; and (5) delivery of educational programming to over 13,000 households with nutrition classes, urban farming, grocery store tours, and culinary training workshops.

Funding

CfHF was seeded by the Laurie M. Tisch Illumination Fund in 2014 with a philanthropic donation of \$1.6 million. In Fiscal Year 2016, this funding was complemented with \$500,000 to support the *Communities for Healthy Food* Initiative funding from the New York City Council. In 2016, the Laurie M. Tisch Illumination Fund provided another \$644,000 to expand CfHF and allow the program to enhance and deepen its work in the initial four New York City neighborhoods and to add two additional high-need neighborhoods: the Hunts Point section of the Bronx and in the Rockaways. For Fiscal Year 2017, we are requesting an enhancement of the funding for *Communities for Healthy Food* to \$1.3 million from the City Council, to effectively expand into Hunts Point and Far Rockaways, in addition to continuing to expand and provide service to the neighborhoods already benefiting from our initial outreach.

INITIATIVE FUNDING REQUEST: \$1,300,000

BED-STUY COOPERATIVE PROJECT FREE 10-WEEK COOPERATIVE BUSINESS COURSE



INTERESTED IN STARTING YOUR OWN FOOD BUSINESS?*

WANT TO SUPPORT THE GROWTH OF COOPERATIVE BUSINESSES IN BED-STUY?

NEBHDCo and The Working World are teaming up to offer the tools that community residents need to start their own cooperative businesses here in Bed-Stuy. A worker-owned cooperative is a business that is owned and controlled by the workers. Worker cooperatives exist all over the world, and they range from small businesses to large factories. If you don't think you'd like to start your own business, but you'd like to support the project, join in on our development of a cooperative council during this course as well.

This 10-week course will feature presentations, guest speakers, and hands-on work to take you from concept development to opening!

Workshops will include:

- Bed-Stuy Needs and Resources Assessment
- Intro to Cooperative Governance and Decision-making
- Business Planning
- Non-Extractive Financing introduction
- Pricing and the market for your products
- And more!

*Although our emphasis will be on food businesses, we welcome participants with all business ideas!



MONDAYS

MARCH 9TH – MAY 18TH

(no class March 23rd)

6:30pm SHARP – 8:30pm

at 376 Throop Avenue, 2nd Floor
Between Lafayette and Kosciuszko

REGISTRATION REQUIRED

To register for this free course, please contact:

Anise Hines, Food Access Outreach Coordinator
shines@nebhdc.org w. 718 453 9490 ext. 230

Join the TurnUp Garden Youth Internship!

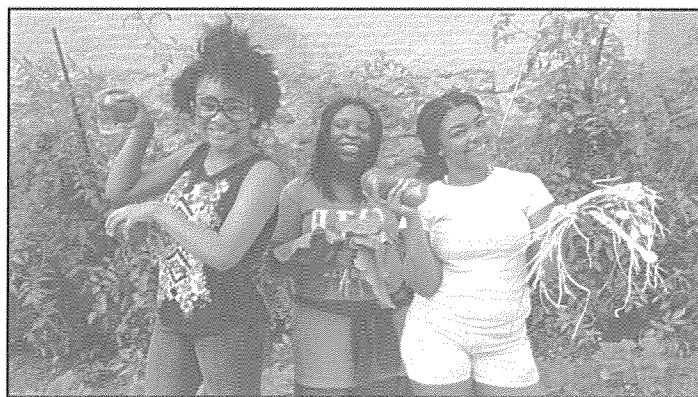


What Do Interns Do?

- Grow food for the NEBHDCo Food Pantry
- Learn about the food system, equity, justice, and how to effect change
- Prepare for work by going through a mock job application process
- Cook delicious meals using garden produce
- Make friends and practice working in a team to achieve your goals
- Earn \$1000 in 16 weeks!

Before you apply...

- You must be 13-16 years old by May 1, 2015
- You must be available to work these hours:
 - **May 11 – June 25:** Weds & Thurs 4-6pm
 - **July 1 – Aug 29:** Weds & Thurs 10am – 1pm and Sat 10am – 2pm
- Be prepared to do challenging physical work outside in all types of weather (heat, cold, rain)
- You must be able to travel to the garden, located at 152 Tompkins Ave, in Bed-Stuy



Earn money while helping Bed-Stuy!



GROW and COOK your own FOOD

Become a LEADER and learn TEAMWORK

Applications are Due by 5pm, Monday April 13th, 2015

Questions? Contact Anise at shines@nebhdco.org or call 718-453-9490 x230



YOU BRING YOUR:

- WIC/FMNP Coupons
- Senior FMNP Coupons
- Health Bucks
- SNAP (EBT)
- Debit/Credit

...And we'll bring our
Locally Grown Fresh
fruits and Vegetables

Marcy Park Farmers' Market

**Myrtle Ave and Marcy Ave
Every Thursday
8am to 4pm
July 9th-Nov 19th**

In partnership with:



Follow us on 

Like us on 

Visit us at: www.HarvestHomefm.org

Bring this coupon for \$4 off!*



Traigan sus :

- ♦ Cupones de WIC/FMNP
- ♦ Cupones de Senior FMNP
- ♦ Health Bucks
- ♦ SNAP (EBT)
- (Estampillas de Alimentos)
- ♦ Tarjeta de Debito/Credito

...traeremos frutas y
vegetales locales y frescas

Marqueta Agricola
Marcy Park
Myrtle Ave y Marcy Ave
Todos los Jueves
8am a 4pm
9 Julio - 19 Noviembre

En asociación con:



Síguenos en 

Me Gusta en 

Visítenos en: www.HarvestHomefm.org

Traiga este cupón de \$4 de descuento*

PTY001

*hasta que se agoten- Expira 19 Noviembre, 2015



JUST
FOOD

2014 Bed-Stuy Community Chef Training

Four-Session Program:

Saturdays July 12th · 19th · 26th · August 2nd

10am – 5pm

**The Demonstration Kitchen
@ 376 Throop Ave**

*ARE YOU PASSIONATE
ABOUT HEALTHY
AND DELICIOUS FOOD?*

*DO YOU WANT TO SHARE
YOUR COOKING KNOWLEDGE
WITH YOUR NEIGHBORS
AND GET PAID FOR IT?**

**APPLY TO BE A
COMMUNITY CHEF!**

*After successfully completing this four-session training, Community Chefs can earn a \$100 stipend per 2-hour cooking demonstration. For leading longer-term culinary classes at our demonstration kitchen, rates will vary between \$20 and \$30/hour.

For more information and to receive an application:
Shatia Strother, sjackson@nebhdco.org or 718-453-9490 ext 218

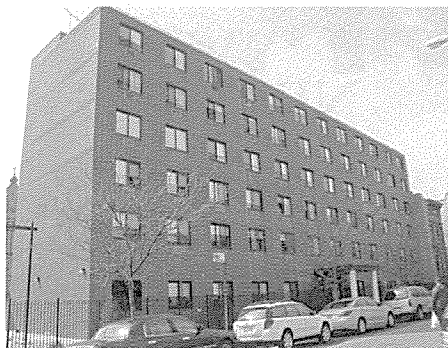
To Apply Online, visit: <http://tinyurl.com/l94a7js>



growing stronger
together
... IN
BED-STUY



NEBHDCo. News WINTER 2016



WELCOME to the NEBHDCo News! From Bed-Stuy to Brownsville to East New York, we are working to bring people and organizations together for a better community for all.

Our commitment since 1985: The preservation, development and management of affordable housing and homeownership opportunities, community and economic development initiatives and human services that effect social change in Central Brooklyn.

In this issue

- A Message from the CEO
- Help Us Spread the Word!
- Upcoming Programming
- The Team Chef Challenge!
- Cooking Demonstrations Now Weekly!
- Update: Bed-Stuy Coop Business Project
- Communities for Healthy Food Now on Social Media!
- Head Start on Cooking Report-Back
- Healthy Food Choices for Bed-Stuy and Beyond

A Message from the CEO

A decent and affordable place to live is a fundamental need. That's why NEBHDCo's largest line of business is affordable housing development and management. Still, our core mission and work has always gone beyond housing, to comprehensively address community economic and social conditions. This edition of NEBHDCo News highlights the range of our local responses to the issues of hunger and poverty, the need for healthy and affordable food, and for jobs and business opportunities for community residents.

Our achievements to date in NEBHDCo's community supports work are being

recognized through awards of significant new grant funding, both private and public. With these new resources, slated for 2016 and beyond, we will deepen and expand our impact. We are excited about what the coming year will bring in our work to improve our community, both through our Community Programs initiatives and in our housing development and preservation efforts. To keep up to date with us, visit www.nebhdco.org, and follow us on social media.

Jeffrey Dunston, CEO

Help Us Spread the Word!

Did you know that NEBHDCo's Safety Net Services Program provides access to numerous resources in one central location? Every Friday from 12pm to 4pm, we offer the following services to local residents at our Opportunity Resource Center at 753 Lafayette Avenue:

- Free virtual tax preparation.
- Screening and applications for SNAP, SCRIE & DRIE assistance.
- Screening and enrollment for over 30 local, state and federal benefits.
- Referrals for employment assistance,

health insurance, immigration and legal services and more.

Can your family use a little help buying food or paying your rent each month? Do you know someone who could benefit from these services? Please help us spread the word!

To learn more or to make an appointment, please contact Lisa Everett at leverett@nebhdco.org or 718-453-9490 x302.



Communities for Healthy Food Bed-Stuy means real jobs in the business of food, it means options for buying good food on our 'hood budgets, it means we gather to build community spaces to produce, cook, share, and eat food. It means that we grow stronger together as we reclaim our right to great tasting, high quality, and sustainable food.

Hit us up for more information and to RSVP to any of the programs!
Anise Hines at 718-453-9490 x230 or outreachinfo@nebhdco.org
Visit us online at www.nebhdco.org/communities-for-healthy-food
Twitter: @NEBHDCoGoodFood Facebook: /NEBHDCoBedStuyFood

Here's a report from the field and some of what's happening this winter and spring...



My Team Chef Challenge Experience

The idea of taking a cooking class in a "state-of-the-art" kitchen, within walking distance of my home, with members of my community and taught by a committed and experienced staff was an opportunity I could not resist! So, the minute I received the email promoting the 8-Week Team Chef Challenge (TCC) program, I signed up. I am THAT passionate about cooking.

Every week has been a learning experience. Our instructors willingly share their expertise and take great care to create a sense of community and healthy competition within the group. Our group discussion covers a wide range of culinary practices – food safety, how to use a knife, proper food storage, how to read a recipe, food preparation, etc. In our Team Chef Challenge classes we prepare meals that are easy, wholesome, economical and OH SO DELICIOUS!

One in-class conversation about the lack of access to quality foods in our community had such a profound impact on me. We learned that Central Brooklyn faces a health crisis with some of the highest rates of heart disease and diabetes in New York City. Our food shelves are stocked with highly processed, denatured foods – full of sodium, fat, and sugar. It's no wonder we are in the midst of a health crisis! One out of every three Bed-Stuy residents is overweight.

I began to reflect upon my own food purchasing habits. I have long understood and appreciated the link between food and wellness. I've been a vegetarian for over 30 years – long before it was fashionable. The vast majority of foods I purchase are outside of the Bed-Stuy community because access to wholesome, fresh, pesticide-free, antibiotic-free, farm-to-table food can be a challenge to find 'in the hood'. I've always considered this a personal choice, but I began to ask myself how could I take a more proactive role in promoting health and access to wholesome quality food in my own community? I no longer view access to quality food as a personal choice, but a right. We should all have access to foods that promote health and well-being. So, when the Team Chef Challenge class is over, I will apply to join the NEBHDCo Community Chef Training program this summer!

When I become a community chef, I will share my personal journey and explorations with food, while supporting families in developing healthy eating habits and promoting wealth through healthy living. After all, health and well-being is one of our greatest treasures.

- by Laura Rolle
 Team Chef Challenge 2016 participant

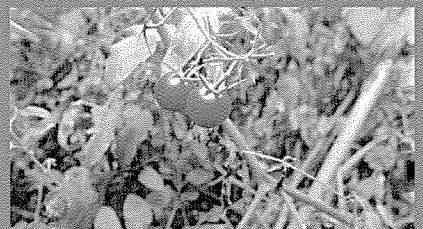
Get Ready for the Growing Season!

It's hard to imagine that spring is around the corner, but warmer days are indeed just a few weeks away!

At NEBHDCo, we are starting to plan our gardens for the year and we invite you to grow with us!

We have plots in the TurnUp Garden for folks who want to grow food for your home and we have volunteer spots for those of you who want to grow food in our Pantry Garden to be given to those in need. No experience is necessary.

Contact Anise Hines if you'd like to take part:
 718-453-9490 x230
 or outreachinfo@nebhdco.org.





Pantry Clients - Cooking Demos are Now Weekly!

This year we've received funding to conduct cooking demonstrations every single week during Pantry distribution. Last year, we could only do five of these, but this year, we'll do 52! So far, we've completed 6 cooking demos with over 40 pantry clients and featuring different chefs and flavorful dishes each week.

These cooking demos feature fresh produce straight from the pantry. Clients are able to take part in the demo, get a copy of the recipe and then go downstairs to shop for the ingredients so they can make it at home. They take place every Tuesday at 10am.

Since these demos occur during pantry hours, we take great measures not to disrupt the usual flow of pantry distribution. To this end, we only recruit clients from the back of the pantry line, we only take up to 10 clients at a time per demo and after the demo clients are invited downstairs to shop without having to go back outside to wait online- Demo Participation has its privileges! We've structured the demos to be a complementary and fun part of the shopping experience and we ask that you attend the demos whenever you come to shop at the pantry.

We will continue to hold Pantry Cooking Demos each week for the rest of the year so there is plenty of time for ALL pantry clients to attend, and we hope you do.

Now, you can find us online!

NEBHDCo's Communities for Healthy Food is now online - on Facebook, Twitter, and on our website.

Like and Follow us to:

- Hear about upcoming events, workshops, and programs.
- Discuss articles and share your thoughts about our food and community
- See photos of our projects
- Learn about food projects that exist in our 'hood.

www.NEBHDCo.org/Communities-for-Healthy-Food

[@NEBHDCoGoodFood](https://twitter.com/NEBHDCoGoodFood)

[/NEBHDCoBedStuyFood](https://www.facebook.com/NEBHDCoBedStuyFood)

Update: Bed-Stuy Cooperative Business Project

Since our 10-week course in 2015, we've continued our work with The Working World to develop worker-owned coop businesses and deepen the project's impact.

In business development news - Bed-Stuy Fresh and Local, a wonderful fully organic grocery store on Macon and Patchen Aves has been making the conversion to be a worker-owned cooperative and they've already received their first loan of \$60K from The Working World to make it happen. Congrats to them for all their hard work and the incredible steps they're taking! We're also excited that our friends at Nextdoordorganics, a local food distribution company are also starting a new wing of their business as a cooperative business project. Finally, Thoroughbred pest control is developing the coop and on their way.

The steering committee for the project is currently being formed, with our first meeting set for early March. The committee will be tasked with researching opportunities, bringing in new partners, and driving the project forward.

Finally, the Laura Flanders show did a segment on the Project entitled, "Cooperation vs. Gentrification: Bed-Stuy Strives to Stay Local." To view the video, visit this link: <http://bit.ly/BedStuyCoops>



Head Start on Cooking Program Report-Back

And that's a wrap on The Head Start on Cooking Project! Our talented squad of 8 community chefs led 60 cooking demos with 14 Head Start Centers in and near Bed-Stuy in just 20 weeks. 2 demos featured produce delivered to Medgar Evers Head Start program. There, our chefs prepared fresh dishes onsite using the variety of vegetables and fruit from the \$14 Corbin Hill Food Project farm share. We handed out recipes and Health Bucks to encourage parents to sign up for a farm share of their own and quite a few did! In addition, our Community Chefs led trainings to the kitchen staff at 3 different Head Start Centers on how to use, store and prep fresh produce during school lunch and snack time.

Overall, we made over 35 different mouth-watering recipes with and learned from nearly 900 children, nearly 200 parents and over 100 teachers and staff. And what fun we had, we hope to do it again soon!

Healthy Food Choices for Bed-Stuy and Beyond



Volunteer Joan Morris with pantry shopper

Get ready for another year of fresh produce and healthy foods at our Golden Harvest Client Choice Pantry! Last year was a huge success and 2016 promises to bring even more good food to our neighbors in Bed-Stuy and beyond.

Thanks to our funders, dedicated staff and the helping hands of our many volunteers, we made great strides to meet the ever-increasing need for emergency food in our local communities. In 2015, we...

- Served 18,000 people from a growing number of neighborhoods.
- Distributed more than 305,000 pounds of food, including over 84,000 pounds of fresh produce, to our pantry clients.

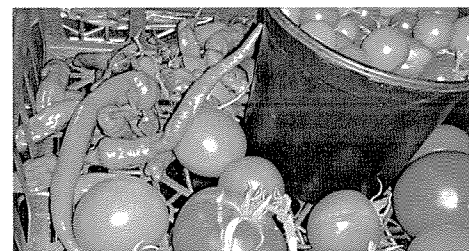


Volunteer Jamel Credle assisting shoppers

- Expanded our reach with clients traveling from Bushwick, Williamsburg, Greenpoint, Clinton Hill, Crown Heights, Prospect Heights, East Flatbush, Cypress Hills, East New York and Brownsville – as well as other neighborhoods across all five boroughs of NYC.
- Provided more safety net services, such as virtual tax preparation and benefits screening and enrollment.

This year is already off to a great start. So far we have distributed 20,000 pounds of food, including 7,500 pounds of fresh produce to our pantry clients. We also launched weekly cooking demonstrations to help pantry clients learn new ways to prepare the fresh produce we offer. (See page 3 for more info about the cooking demonstrations.)

To volunteer or for more information, please contact Amanda Ash at aash@nebhdc.org or 718-453-9490 x224.



Fresh produce in our pantry, donated by Tranquility Farm at Throop and Willoughby Avenues

Tenants Corner

NEBHDCo
Property Management
Emergency Hotline
718-453-9490 x232

Save Money! Clean Green!

And improve the health of your home:

- Glass: 1/4 C. white vinegar to 1 Qt. water, in a spray bottle
- Floors: Just lukewarm water and a damp mop
- Re-usable mops, vs. disposables
- Re-usable cloth wipes vs. paper towels

GOLDEN HARVEST CLIENT CHOICE FOOD PANTRY

376 Throop Avenue
 Between Lafayette & Kosciuszko

PROVIDING FOOD DISTRIBUTION AND BENEFITS REFERRALS

Every Tuesday and Thursday
 10:00a—12:00p

For Info Call Amanda Ash
 718-453-9490 x224

All Clients Must Register With Proof of Family Size.

Bring your own bags, please!

ADULT EDUCATION CLASSES

@ NEBHDCo's Opportunity Resource Center
 753 Lafayette, Every Tues & Thurs 6pm-9pm
 St. Nick's Alliance provides:

- HS Equivalency Diploma
- Adult Basic Ed
- Job Placement Assistance

For more info: Elizabeth 718-302-2057 x221

We'd like to thank all of our funders, for making this work possible:

Ample Table for Everyone, Brooklyn Community Foundation - Brooklyn Now, City Harvest, Food Bank For New York City, Goldman Sachs UIG, GrowNYC, LISC, The Laurie M. Tisch Illumination Fund, M&T Bank, NYC Council, NYC Council Member Robert Cornegy, NYC Council Member Laurie Cumbo, NYC HRA EFAP, Nextdoororganics, The Pinkerton Foundation, TD Bank, USDA/NIFA, and United Way NYC.



ANHD
50 Broad Street, Suite 1402
New York, NY 10004
Tel: (212) 747-1117

**TESTIMONY OF BARIKA WILLIAMS, BEFORE
THE NEW YORK CITY COUNCIL COMMITTEE SMALL BUSINESS AND THE
COMMITTEE ON ECONOMIC DEVELOPMENT CONCERNING
FISCAL YEAR '17 PRELIMINARY BUDGET.**

March 16, 2016

Good Morning. Thank you Chair Cornegy and Chair Gardonick to the members of the Committee on Small Business and the Committee on Economic Development for the opportunity to testify on the FY17 Preliminary Budget.

My name is Barika Williams and I am the Deputy Director for the Association for Neighborhood and Housing Development (ANHD). ANHD is a membership organization of NYC-neighborhood based community groups- CDCs, affordable housing developers, supportive housing providers, community organizers, and economic development providers. We have nearly 100 members throughout the five boroughs. Our mission is to ensure flourishing neighborhoods and decent, affordable housing for all New Yorkers.

We applaud the City's Economic Development Corporation's (EDC) new Request for Proposals for a Not-for-Profit Industrial Developer Fund. The **Not-for-Profit Industrial Developer Fund** is an innovative program model and an important achievement for de Blasio Administration. The fund will allocate up to \$41 million of City capital – and \$150 million of total support – for not-for-profit developers that plan to acquire, construct, and/or renovate industrial real estate in the city. This Fund aims to increase the capacity of not-for-profit organizations to develop industrial real estate and support the growth of a more robust mission-driven industrial development ecosystem. Not-for-profit developers share the Mayor's values of equitable economic development because they are mission-driven to create the greatest benefit for the community and the intentional strategy of maximizing the number of quality jobs for the communities that most need them.

ANHD is committed to strengthening the needs of communities and small businesses are integral to the fabric of New York's neighborhoods. ANHD commends the Department of Small Business Services (SBS) work over the past year.

Despite the great advancements made by SBS in the past year, critical steps must be taken to protect small businesses and expand workforce opportunities at the neighborhood level.

Our City has no system or agency responsible for **protecting our small and local businesses from landlord harassment and destabilizing rent increases**. While SBS has small business oversight, they have no ability to protect or enforce our small business. We support legislation to protect our small businesses and to establish a clear set of rights for our City's valued small businesses.



ANHD
50 Broad Street, Suite 1402
New York, NY 10004
Tel: (212) 747-1117

ANHD respectfully requests an increase of funding for **SBS' Start Small Think Big (SSTB) program**. This program supports a non-profit organization providing financial and legal services to low-income entrepreneurs, and a number of other lawyers and firms. This pilot program involves (1) lease negotiation workshops, (2) the creation of industry-specific lease negotiation guides, and (3) brief advice clinics. Currently, this programs budgets a mere \$60,000 for commercial legal services to the entire City. This number must be increased if we are increase access to the crucial legal services for thousands of small businesses, many of which are low-income, minority, or immigrant-owned.

ANHD applauds the work of **SBS' Neighborhood Development Division**, specifically their **Avenue NYC Grant Program**. Avenue NYC finds funds community-based organizations in low- to moderate-income communities across the five boroughs to implement commercial revitalization activities that benefit businesses and local residents. This is a much needed resource to allocate funding to the commercial corridors that are central to local neighborhoods commercial vitality.

We applaud the expansion of Workforce1 centers to outer-borough neighborhoods with particular need for job placement services. However, Workforce 1 centers are primarily job placement offices. **Our neighborhoods and communities need workforce development programs that address barriers to employment, and increase job skills.** We strongly urge the Council to collect neighborhood specific data on workforce development services and resident needs so that we can align our City resources to meet local concerns.

ANHD asks for the Council's continued support for the **NYC Business Solutions Industrial & Transportation Providers (IBSP)**. We applaud the Administration's decision last year to baseline \$1.5 million for IBSPs. However the community-based organizations are the service providers that provide a critical resource for local industrial companies, helping them to operate, expand, and create jobs both inside our Industrial Business Zones (IBZ) and to industrial businesses citywide. We urge the Administration to include additional IBSP funding in the Fiscal Year 2017 budget.



KEY FINDINGS & RECOMMENDATIONS

Overlooked and Undercounted

The Struggle to Make Ends Meet in New York City



Prepared for

Women's Center for Education and
Career Advancement

With support from

The United Way of New York City
The New York Community Trust
City Harvest

PREFACE

This summary contains the Executive Summary and Policy Recommendations from the report, *Overlooked and Undercounted: The Struggle to Make Ends Meet in New York City*. The full report, as well as a datafile of tables providing borough specific information for 152 family types, is available at www.selfsufficiencystandard.org or www.wceca.org. This report was authored by Dr. Diana M. Pearce and produced by the Center for Women's Welfare at the University of Washington.

For the past 14 years, Women's Center for Education and Career Advancement (WCECA) has arranged for the update of The Self-Sufficiency Standard for New York City in 2000, 2004, and 2010. The Self-Sufficiency Standard for New York City 2014 is the fourth edition. For the first time for New York City, this report combines two series—the Self-Sufficiency Standard plus *Overlooked and Undercounted*—into one report which provides a new view of how the Great Recession has impacted the struggle to make ends meet.

The Self-Sufficiency Standard for New York City measures how much income a family of a certain composition in a given place must earn to meet their basic needs. The *Overlooked and Undercounted* series answers the questions of how many households live below the Self-Sufficiency Standard for New York City and what are the characteristics of these households. Employers, advocates, and legislators can use it to evaluate wages, provide career counseling, and create programs that lead to economic self-sufficiency for working families.

ACKNOWLEDGEMENTS

This report has been prepared with the essential help of the staff at the Center for Women's Welfare at the University of Washington, particularly Lisa Manzer and Karen Segar. We also wish to thank WCECA, which assisted in the development of this report and its release, especially Merble Reagon and Melissa Berube. Additionally, we would like to acknowledge the contribution to the development of the first “*Overlooked and Undercounted*” report of Rachel Cassidy, demographer, as well as the editorial contributions of Maureen Golga and Aimee Durfee, and the statistical contributions of Bu Huang for past reports.

The Women's Center for Education and Career Advancement would like to thank the steering committee consisting of the following people and their agencies for their support and assistance in the development of *Overlooked and Undercounted: The Struggle to Make Ends Meet in New York City*:

- Sheena Wright, Nicole Gallant, Loren K. Miller, Suzanne Towns, and Lesleigh Irish-Underwood, United Way of New York City;
- Patricia White, The New York Community Trust;
- Jilly Stephens and Kate MacKenzie, City Harvest;
- James Krauskopf, Baruch College School of Public Affairs;
- Jennifer March, Citizens' Committee for Children of New York;
- Jennifer Jones Austin & Bich Ha Pham, Federation of Protestant Welfare Agencies;
- Mae Watson Grote & Haidee Cabusora, Financial Clinic;
- James Parrott, Fiscal Policy Institute; and,
- Joel Berg and Lisa Levy, New York City Coalition Against Hunger.

We would also like to thank United Way of New York City, The New York Community Trust, and City Harvest for their generous funding which made this report possible.

Dr. Diana Pearce developed the Self-Sufficiency Standard while she was the Director of the Women and Poverty Project at Wider Opportunities for Women (WOW). The Ford Foundation provided funding for the Standard's original development. The conclusion and opinions contained within the report do not necessarily reflect the opinion of those listed above or WCECA. Nonetheless, any mistakes are the author's responsibility.

EXECUTIVE SUMMARY

More than two in five New York City households—over 940,000 households—lack enough income to cover just the necessities, such as food, shelter, health care and child care. Yet as measured by the federal poverty level (FPL), less than half that number is officially designated as “poor.” Moving from statistics to people, this translates to over 2.7 million men, women, and children struggling to make ends meet in New York City. Consequently, a large and diverse group of New Yorkers experiencing economic distress is routinely **overlooked and undercounted**. Many of these hidden poor are struggling to meet their most basic needs, without the help of work supports (they earn too much income to qualify for most, but too little to meet their needs). To make things even worse, their efforts are aggravated by the reality that the costs of housing, health care, and other living expenses continue to rise faster than wages in New York City.

To document these trends, we use the yardstick of the Self-Sufficiency Standard. This measure answers the question as to how much income is needed to meet families’ basic needs at a minimally adequate level, including the essential costs of working, but without any assistance, public or private. Once these costs are calculated, we then apply the Standard to determine how many—and which—households lack enough to cover the basics. Unlike the federal poverty measure, the Standard is varied both geographically and by family composition, reflecting

the higher costs facing some families (especially child care for families with young children) and in some places.

This report combines two series—the Self-Sufficiency Standard plus Overlooked and Undercounted—into one to present a more accurate picture of income inadequacy in New York City. The first section of the report presents the 2014 Self-Sufficiency Standard for New York City, documenting how the cost of living at a basic needs level has increased since 2000. The second section uses the American Community Survey to detail the number and characteristics of households, focusing on those below the Self-Sufficiency Standard. The report addresses several questions:

- How much does it cost to live—at a minimally adequate level—in New York City and how does that vary by family type and place in the city?
- How many individuals and families in New York City are working hard yet unable to meet their basic needs?

- Where do people with inadequate income live and what are the characteristics of their households?
- What are the education, occupation, and employment patterns among those with inadequate income?
- What are the implications of these findings for policymakers, employers, educators, and service providers?

We find that New York City families struggling to make ends meet are neither a small nor a marginal group, but rather represent a substantial and diverse proportion of the city. Individuals and married couples with children, households in which adults work full time, and people of all racial and ethnic backgrounds account for substantial portions of those struggling to make ends meet in New York City.

THE SELF-SUFFICIENCY STANDARD: A MEASURE OF ADEQUATE INCOME

The Self-Sufficiency Standard was developed to provide a more accurate, nuanced, and up-to-date measure of

TABLE A. Self-Sufficiency Standard for New York City
Select Family Types, 2014

	1 Adult	1 Adult 1 Preschooler	2 Adults	2 Adults 1 Preschooler	2 Adults 1 Preschooler 1 School-age
Bronx	\$26,951	\$52,776	\$37,488	\$58,450	\$70,319
Northwest Brooklyn	\$34,746	\$62,385	\$44,880	\$67,719	\$79,138
Brooklyn (Excluding Northwest Brooklyn)	\$28,861	\$55,059	\$39,074	\$60,528	\$72,160
North Manhattan	\$27,126	\$53,571	\$39,164	\$60,872	\$73,758
South Manhattan	\$48,520	\$81,434	\$60,135	\$86,146	\$98,836
Queens	\$32,432	\$59,502	\$42,577	\$64,961	\$76,376
Staten Island	\$29,015	\$55,370	\$39,553	\$61,178	\$73,015

income adequate for basic needs. The Standard reflects the realities faced by today's working parents and includes all major budget items faced by working adults: housing, child care, food, health care, transportation, taxes, and miscellaneous costs plus an emergency savings fund.

The Standard is a “bare bones” budget appropriate to family composition; it does not include any restaurant or take-out food or credit card or loan payments. The Standard is calculated for 37 states and the District of Columbia. It uses data that are drawn from scholarly and credible sources such as the U.S. Census Bureau, and that meet strict criteria of being accurate, regularly updated using standardized and consistent methodology, and which are age- or geography-specific where appropriate. For New York City, the Standard is calculated for all boroughs and 152 possible household compositions.

What it takes to become self-sufficient in New York City depends on where a family lives, how many people are in the family and the number and ages of children. For example, for a family consisting of two adults with a preschooler and a school-age child, South Manhattan has the highest Self-Sufficiency Standard at \$98,836 per year. Northwest Brooklyn comes in a distant second at \$79,138, and the least expensive area is the Bronx, with a Standard of \$70,319 for this family type (see Table A).

Overall, since 2000, for a family with two adults, a preschooler, and

TABLE B. The Self-Sufficiency Standard and NYC Median Earnings Over Time: Two Adults, One Preschooler, and One School-Age Child in 2000 and 2014

BOROUGH	2000	2014	% INCREASE: 2000 TO 2014
THE BRONX	\$48,077	\$70,319	46%
BROOKLYN	\$49,282	-	-
NORTHWEST BROOKLYN*	-	\$79,138	46%
BROOKLYN EXCLUDING NORTHWEST BROOKLYN)*	-	\$72,160	41%
NORTH MANHATTAN	\$52,475	\$73,758	30%
SOUTH MANHATTAN	\$75,942	\$98,836	49%
QUEENS	\$51,281	\$76,376	43%
STATEN ISLAND	\$50,972	\$73,015	45%
BOROUGH AVERAGE			45%
NYC MEDIAN EARNINGS**	\$29,079	\$34,019	17%

* 2014 is the first year that Brooklyn has been calculated for two areas.

** U.S. Census Bureau, American Community Survey (ACS). 2000 and 2012. Detailed Tables. B20002. “Median earnings in the past 12 months by sex for the population 16 years and over with earnings in the past 12 months.” Retrieved from <http://factfinder.census.gov/>. 2012 data is the latest available and is updated using the Consumer Price Index for the New York metropolitan region.

school-age child, the Self-Sufficiency Wage—the wage a household requires to be self-sufficient—has increased on average by 45%, largely due to housing costs increasing 59% across boroughs. In contrast, the median earnings of working adults have increased only 17% over the same 14 years (see Table B).

KEY FINDINGS

With more than two out of five New York City households lacking enough income to meet their basic needs, the problem of inadequate income is extensive, affecting families throughout the city, in every racial/ethnic group, among men, women, and children, in all neighborhoods. Nevertheless, inadequate income is concentrated disproportionately in some places and groups.

GEOGRAPHICALLY, THE BRONX HAS THE HIGHEST RATE OF INCOME INADEQUACY AND SOUTH MANHATTAN, NORTHWEST BROOKLYN AND STATEN ISLAND ARE THE LOWEST.

With over half (56%) of all households below the Standard, the Bronx has the highest overall income inadequacy rate of the five boroughs. Within the Bronx, there are four districts/neighborhoods with income inadequacy rates over 75%, and four more with rates above 50%. However, every borough has at least one district with an income inadequacy rate above 50%, except Staten Island. While Staten Island, Northwest Brooklyn, and South Manhattan have the lowest rates of income inadequacy (29%, 29%, and 27%, respectively), most New Yorkers with incomes below the Standard live in the boroughs with income inadequacy rates that are near the citywide average: Queens

FIGURE 1. Profile of Households with Inadequate Income: New York City 2012

Each image represents the 941,856 households and 2.7 million individuals living below the Self-Sufficiency Standard in NYC.

Number of Employed Workers

17% of households below the Standard in NYC have no workers, 55% have one worker, and 28% have two or more workers.



Educational Attainment

Among NYC households below the Standard, 26% lack a high school degree, 27% have a high school degree, 25% have some college or associates degree, and 22% have a bachelor's degree or higher.



Household Type

Of the households below the Standard in NYC, 25% are married-couple households with children, 23% are single-women households with children, 5% are single-male households with children, and the remaining 47% are households without children.



Age of Householder

In NYC, only 6% of households below the Standard are headed by adults under 24 years of age. 22% are between 25-34, 27% are 35-44, 25% are 45-54, and 19% are 55-64.



Housing Burden

81% of NYC households below the Standard spend more than 30% of their income on housing.



Race/Ethnicity

36% of households in NYC with inadequate income are Latino, 25% are Black, 22% are White, and 16% are Asian/Pacific Islander, and 1% are Other Race (including Native American and Alaskan Native).



Citizenship

U.S. Citizens head 71% of the households below the Self-Sufficiency Standard. Non-citizens head 29% of households without sufficiency income in NYC.



Public Assistance (TANF)

Only 6% of households with inadequate income receive cash assistance. In NYC, 94% of households below the Standard do not receive TANF.



Food Assistance (SNAP)

Over one in three (34%) households below the Standard participated in the Supplemental Nutrition Assistance Program (SNAP, formerly food stamps).



Health Insurance

Of NYC households below the Standard, more than one in four (25%) did not have health insurance coverage in 2012.



FIGURE 2. Percent of Households Below the Standard by the Presence of Children: NYC 2012

32% of Households with No Children



59% of Households with Children



65% of Households with Young Children*



*Youngest child less than 6 years of age

Source: U.S. Census Bureau, 2012 American Community Survey.

(43%), North Manhattan (45%), and Brooklyn (excluding Northwest) (49%).

FOUR OUT OF FIVE HOUSEHOLDS WITH INADEQUATE INCOME ARE PEOPLE OF COLOR, WITH LATINOS BEING THE GROUP MOST AFFECTED.

While all groups experience insufficient income, Latinos have the highest rate of income inadequacy, with 61% of Latino households having insufficient income, followed by Native American, Alaska Natives, and other races (51%), Asians and Pacific Islanders (49%), African Americans (48%), and Whites (24%).

BEING FOREIGN-BORN INCREASES THE LIKELIHOOD OF HAVING INADEQUATE INCOME.

While New York City householders born in the United States have an income inadequacy

rate of 34%, the likelihood of having inadequate income is higher if the householder is a naturalized citizen (45%), and even higher if the householder is not a citizen (61%). Among non-citizens, Latinos have an even higher rate (75%) of income inadequacy than non-Latino non-citizen immigrants (53%).

HOUSEHOLDS WITH CHILDREN ARE AT A GREATER RISK OF NOT MEETING THEIR BASIC NEEDS, ACCOUNTING FOR MORE THAN HALF OF HOUSEHOLDS WITH INADEQUATE INCOME.

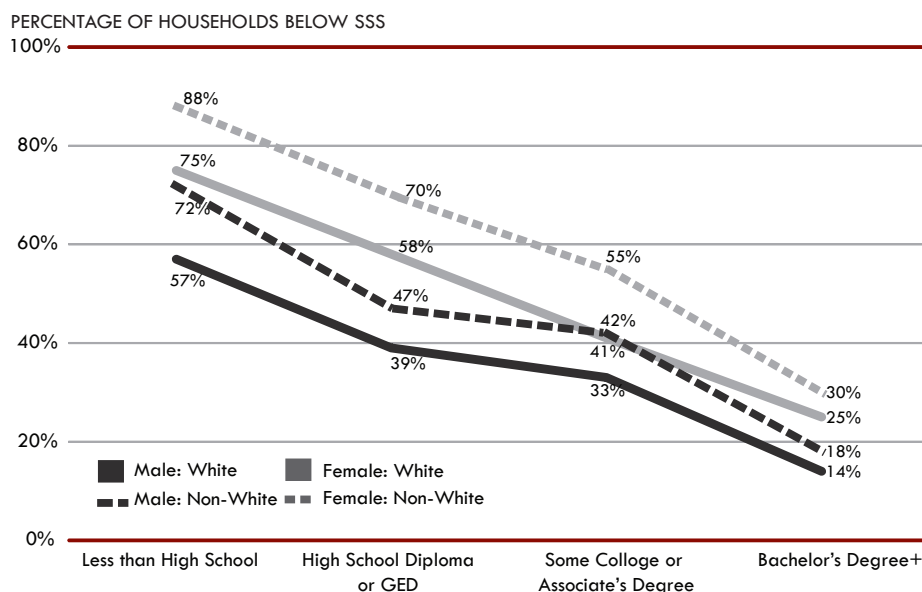
Reflecting in part the higher costs associated with children (such as child care), families with children have higher rates of income inadequacy, 59%, and if there is a child under six, 65% have incomes under the Standard. Over half of households below the Standard have children (53%), compared to less than two-fifths of all New York City households.

HOUSEHOLDS MAINTAINED BY SINGLE MOTHERS, PARTICULARLY IF THEY ARE WOMEN OF COLOR, HAVE THE HIGHEST RATES OF INCOME INADEQUACY.

Less than half (48%) of married-couple households have inadequate income, and about two-thirds (68%) of single fathers, but almost four out of five (79%) of single mothers lack adequate income. These rates are particularly high for single mothers of color: 86% of Latina, 76% of Asians and Pacific Islanders, and 75% of African American single mothers lack adequate income—compared to 63% for White single mothers.

Although single mothers have substantially higher rates of income inadequacy than married couples, because there are many more married couples with children, these two groups (single mother and married couple families with children) account for almost

FIGURE 3. Households Below the Standard by Education, Race/Ethnicity, and Gender of Householder: NYC 2012



Source: U.S. Census Bureau, 2012 American Community Survey.

equal shares of households in New York City that lack adequate income (23% vs. 25%), respectively, with single father households being 5% (the remaining 47% of households with inadequate income are childless households).

HIGHER LEVELS OF EDUCATION ARE ASSOCIATED WITH LOWER RATES OF INCOME INADEQUACY, ALTHOUGH NOT AS MUCH FOR WOMEN AND/OR PEOPLE OF COLOR. As educational levels increase, income inadequacy rates decrease dramatically: rates decline from 80% for those lacking a high school degree, to 59% for those with a high school degree, to 46% for those with some college/post-secondary training, to 21% of those with a four-year college degree or more. Reflecting race and/or gender inequities, women and/or people of color must have several more years of education than white males in order to achieve the same level of income adequacy. At the same time, three out of four householders with incomes below the Standard have at least a high school degree, including nearly half of these having some college or more.

EMPLOYMENT IS KEY TO INCOME ADEQUACY, BUT IT IS NOT A GUARANTEE. As with education, more is better: among householders who work full time, year round, income inadequacy rates are just 28%, compared to 77% for those households with no workers. About five out of six households below the Standard, however, have at least one worker. Whether there are one or two adults (or more), and whether they are able to work full time and/or full year, affects the levels of income inadequacy. Nevertheless, just as with education, households headed by

people of color and/or single mothers also experience lesser returns for the same work effort. For example, even when single mothers work full time, year round, almost three-quarters of their households lack adequate income.

The data further demonstrate that the unequal returns to employment efforts are due in part to being concentrated in just a few occupations. That is, those below the Standard only share six of the “top twenty” occupations (the occupations with the most workers) with those with incomes above the Standard. Eight of the top 20 occupations

have median earnings less than the equivalent of a full-time minimum wage job. These low wage occupations are largely held by householders trying to support families and are not limited to part-time jobs for teenagers.

Differences in income adequacy rates are largely not explained by hours worked. While full-time, year-round work (regardless of the occupation) may help protect against income inadequacy, householders with incomes above the Standard work only about five percent more hours on average than those below the Standard.

TABLE C. Top 20 Occupations¹ of Householders² Below the Self-Sufficiency Standard: New York City 2012

BELOW THE SELF-SUFFICIENCY STANDARD					
RANK	OCCUPATION	Number of workers	Percent of Total	Cumulative Percent	Median Earnings
TOTAL		792,003			\$20,000
1	Nursing, psychiatric, & home health aides*	60,174	8%	8%	\$17,500
2	Janitors & building cleaners*	29,039	4%	11%	\$16,000
3	Childcare workers	26,765	3%	15%	\$10,000
4	Cashiers	23,413	3%	18%	\$12,500
5	Maids & house cleaners	21,587	3%	20%	\$13,300
6	Retail salespersons*	21,432	3%	23%	\$19,400
7	Construction laborers	19,925	3%	26%	\$20,000
8	Secretaries & administrative assistants*	19,470	2%	28%	\$22,000
9	Taxi drivers & chauffeurs	18,148	2%	30%	\$20,000
10	Waiters & waitresses	17,141	2%	32%	\$15,000
11	Personal care aides	16,456	2%	35%	\$17,000
12	Cooks	14,180	2%	36%	\$17,000
13	Security guards & gaming surveillance officers	13,839	2%	38%	\$23,000
14	Driver/sales workers & truck drivers	13,350	2%	40%	\$23,000
15	First-line supervisors of retail sales workers*	13,226	2%	41%	\$21,000
16	Teacher assistants	12,997	2%	43%	\$21,000
17	Office clerks, general	11,479	1%	45%	\$19,000
18	Customer service representatives	11,083	1%	46%	\$20,000
19	Chefs & head cooks	10,815	1%	47%	\$20,800
20	Designers*	8,476	1%	48%	\$20,000

¹ Detailed occupations are based on the Standard Occupational Classification (SOC). For definitions of these occupations see the Bureau of Labor Statistics Standard Occupation Classifications at http://www.bls.gov/soc/soc_majo.htm
² The householder is the person in whose name the housing unit is owned or rented or, if there is no such person, any adult member, excluding roomers, boarders, or paid employees.
 * Occupation also within the top 20 occupations of householders above the Standard.

However, their wage rates vary greatly, with the hourly wages of householders above the Standard being almost three times as much as those below the Standard (\$28.85 per hour versus \$10.58 per hour). If householders with incomes below the Standard increased their work hours to match those with incomes above the Standard, that would only close about three percent of the wage gap, while earning the higher wage rate of those above the Standard, with no change in hours worked, would close 92% of the gap.

Thus, families are not poor just because they lack workers or work hours, but because the low wages they earn are inadequate to meet basic expenses.

HOW NEW YORK CITY COMPARES TO OTHER STATES

To date, demographic reports have been done on seven states (California, Colorado, Connecticut, Mississippi, New Jersey, Pennsylvania, and Washington State), but no other cities in detail. In five of these states (the exceptions being Mississippi and California), the proportion of households with inadequate income is strikingly similar, with about one out of five (non-elderly, non-disabled) households lacking adequate income. In California and

Mississippi, both states with higher than average minority proportions, about one-third of households fall below the Standard. At 42%, New York City has a higher rate of income inadequacy than all of these states.

Even compared to other large cities, New York City still has a relatively high rate of income inadequacy. San Francisco and Denver are at 27% and 26%, respectively. Cities that are more similar to New York, demographically, such as Pittsburgh (32%) and Philadelphia (42%) show similar patterns of having higher income inadequacy rates than the states they are located in. Nevertheless, it is striking that when a realistic measure of basic living costs is used, New York City has an income inadequacy rate that is even higher than that of Mississippi which consistently has had the highest “poverty” rates.

CONCLUSION

These data show that there are many more people in New York City who lack enough income to meet their basic needs than our government’s official poverty statistics capture. This lack of sufficient income to meet basic needs is grossly undercounted largely because most American institutions do not utilize

the more accurate metrics available today that measure what it takes to lead a life of basic dignity.

Not only do we underestimate the number of households struggling to make ends meet, but broadly held misunderstandings about what those in need look like, what skills and education they hold, and what needs they have harm the ability of our institutions to respond to the changing realities facing low-income families. New York City households with inadequate income reflect the city’s diversity: they come from every racial and ethnic group, reflect every household composition, and work hard as part of the mainstream workforce.

Despite recovering from the Great Recession, this is not about a particular economic crisis—for these families, income inadequacy is an everyday ongoing crisis. It is our hope that through the data and analyses presented here a better understanding of the difficulties faced by struggling individuals and families will emerge, one that can enable New York City to address these challenges, making it possible for all New York City households to earn enough to meet their basic needs.

POLICY ANALYSIS & RECOMMENDATIONS

Nearly one million New York City households do not have enough income to meet their basic needs. This amounts to more than two out of five households and 2.7 million people. The 2014 Self-Sufficiency Standard shows that for many New Yorkers, having a job no longer guarantees the ability to pay for basic needs.

More than four out of five households who are below the Self-Sufficiency Standard level—which translates to well over two million City residents—have at least one family member who works but does not make enough to afford a minimal, basic family budget. And for many more who are at or above self-sufficiency levels, current wages do not allow for the next step of building assets to attain economic security. In the last decade, New Yorkers of all stripes have struggled against ballooning costs of living, such as for housing, which has increased 59% for a two-bedroom rental. At the same time, median wages have increased barely 17%.

As the country's largest city—rich in resources and leaders—New York City must expand the numbers of New Yorkers living securely above the Self-Sufficiency Standard. This report's recommendations for moving the greatest number of New Yorkers towards self-sufficiency are consistent with the City's priorities and have been determined from a similar systematic, cost-effective and evidence-driven framework.¹ Our recommendations

acknowledge that the obstacles to self-sufficiency are interdependent and to significantly reduce the number of people living below the Standard or just above it, solutions must also be coordinated and interconnected.

We call on leaders across all sectors—government, philanthropy, the private sector and the not-for-profit world—to examine practices, mobilize colleagues, and become part of the solution for making the following three priorities a reality:

1. Wages increased to align and keep pace with the costs of living;
2. Employment structured as a pathway to self-sufficiency and economic security; and
3. Access to quality, affordable housing, food and child care available to New Yorkers across the income spectrum.

INCREASE WAGES TO ALIGN WITH THE COST OF LIVING

The single greatest driver to increase self-sufficiency is higher wages. The income needed for a household with two adults, a preschooler, and a school-age child to be self-sufficient has risen on average by 45% across boroughs since the year 2000, while the median earnings of working adults have increased only 17%.

of national or even international trends that are difficult to address at the City level. Nonetheless, strategies to reduce poverty and inequality are central to the agenda of Mayor Bill de Blasio and his Administration. NYC Office of the Mayor, "The CEO Poverty Measure 2005-2012," An Annual Report from the Office of the Mayor, April 2014, p. 47, http://www.nyc.gov/html/ceo/downloads/pdf/ceo_poverty_measure_2005_2012.pdf (accessed November 14, 2014).

Consequently, more than two out of five working-age households cannot meet their basic needs while others are barely breaking even. Although many New Yorkers work insufficient hours, more hours would not raise standards of self-sufficiency as substantially as would an increase in wage rates. In too many occupations, wages have not kept pace with the rising cost of living. New York City's employment has now surpassed pre-recession levels yet most of the net job growth since 2000 has been concentrated in low-wage sectors, as opposed to jobs paying moderate- and middle-income wages.²

NEW YORK CITY'S LIVING WAGE LAW.

New York City Mayor Bill de Blasio's September 2014 Executive Order expands the City's Living Wage Law from \$11.50 per hour to \$13.13 an hour (including \$1.63 for health benefits).³ This Living Wage Law⁴ applies to a select group of workers employed in businesses or commercial spaces that receive more than \$1 million in city

² James A. Parrott, February 27, 2014, "Low-Wage Workers and the High Cost of Living in New York City," Testimony Presented to the New York City Council Committee on Civil Service and Labor, <http://fiscalpolicy.org/wp-content/uploads/2014/02/FPI-Parrott-testimony-Low-Wage-workers-and-Cost-of-iving-Feb-27-2014.pdf> (accessed November 14, 2014). Also see National Employment Law Project, "The Low-Wage Recovery: Industry Employment and Wages Four Years into the Recovery," Data Brief, April 2014, p. 1, <http://www.nelp.org/page/-/Reports/Low-Wage-Recovery-Industry-Employment-Wages-2014-Report.pdf?nocdn=1> (accessed June 11, 2014).

³ The City of New York, Office of the Mayor, "Living Wage for City Economic Development Projects," http://www1.nyc.gov/assets/home/downloads/pdf/executive-orders/2014/eo_7.pdf (accessed November 14, 2014).

⁴ The City's older Living Wage Law (section 6-109 of the Administrative Code) covers a limited number of workers providing care under City government contracts. Enacted in 1996, this living wage covers workers providing day care, head start, building services, food services, and temporary services, with coverage extended in 2002 to homecare workers and workers providing services to persons with cerebral palsy. The wage level under this living wage law has been \$11.50 an hour (including \$1.50 for health benefits) since 2006, and is not automatically adjusted for inflation.

¹ New York City's Center for Economic Opportunity notes that many of the factors that drive poverty here are part

subsidies as defined by section 6-134 of the City Administrative Code. The executive order is projected to expand coverage of this Living Wage from a current cohort of 1,200 workers to an estimated 18,000 workers over the next five years. Beginning in January 2015, this Living Wage will be adjusted for inflation. The Mayor's office projects that with inflation adjustments, this City Living Wage will reach \$15.22 in 2019.⁵ The current New York State minimum wage of \$8.00 per hour applies to a more comprehensive group of workers across most sectors. Along with 26 other states and the District of Columbia, New York State sets a higher minimum wage level than the current \$7.25 federal minimum wage.⁶ President Obama has proposed raising the federal minimum wage to \$10.10 an hour.⁷ The purchasing

power of the federal minimum wage has fallen by 22 percent since the late 1960s.⁸ Moreover, if the minimum wage had kept pace with overall productivity growth in the economy, it would be nearly \$19.00 by 2016.⁹

Under present state law, New York's minimum wage will increase to \$8.75 on December 31, 2014, and to \$9.00 an hour on December 31, 2015.¹⁰ It is not indexed to inflation. There is Albany legislation pending to increase the state minimum to \$10.10, and a separate measure to give localities the authority to set a local minimum wage up to 30 percent above the state minimum. If both proposed laws were enacted, New York City could set a \$13.13 hourly minimum wage. A growing number of large cities, and a few suburban counties, are establishing higher minimum wage levels. Seattle, San Diego, San

Jose, San Francisco, and Washington, D.C. already have established higher minimums, and Chicago, Los Angeles, and Oakland are among the cities considering substantially higher minimum wages in the \$12-\$15 an hour range. Both Seattle and San Francisco have acted to raise their minimum wage levels to \$15.00 an hour in coming years.

The expansion of New York City's Living Wage levels to cover more workers at a higher rate and indexed to inflation, or to establish a significantly higher minimum wage are important steps in providing a more reasonable wage floor in the job market, enabling more employed New Yorkers to achieve self-sufficiency through work. At the same time, it is critical to note that even an hourly wage of \$13.13 does not constitute a self-sufficiency wage for most compositions of New York City households across the five boroughs (see box below, *Bronx Family of Three*).

It is necessary to broaden living wage coverage to the City's large indirect social service workforce, coupled with better career advancement supports. Existing City Living Wage law currently does not apply to the tens of thousands of workers at not-for-profit organizations providing essential social services under City contract. New York City spends \$5 billion annually on social service contracts and, as such, is a major indirect employer of tens of thousands of workers at not-for-profit organizations. Wages in this sector are among the lowest for all industries. Half of non-profit social service workers are paid less than \$14 an hour.¹¹

⁵ City of New York, September 30, 2014, "Mayor de Blasio Signs Executive Order to Increase Living Wage and Expand it to Thousands More Workers," News, <http://www1.nyc.gov/office-of-the-mayor/news/459-14/mayor-de-blasio-signs-executive-order-increase-living-wage-expand-it-thousands-more#/> (accessed November 14, 2014).

⁶ Currently 23 states and the District of Columbia have minimum wages above the federal minimum wage. Additionally, four additional states approved ballot measures in the 2014 election. National Conference of State Legislatures, "State Minimum Wages | 2014 Minimum Wages by State," <http://www.ncsl.org/research/labor-and-employment/state-minimum-wage-chart.aspx> (accessed November 14, 2014).

⁷ The White House, Office of the Secretary, "President Barack Obama's State of the Union Address," <http://www.whitehouse.gov/the-press-office/2014/01/28/president-barack-obamas-state-union-address> (accessed November 14, 2014).

⁸ Jared Bernstein & Sharon Parrott, January 7, 2014, "Proposal to Strengthen Minimum Wage Would Help Low-Wage Workers, With Little Impact on Employment," Center on Budget and Policy Priorities, Economy, <http://www.cbpp.org/cms/?fa=view&id=4075> (accessed November 14, 2014).

⁹ David Cooper, December 19, 2013, "Raising the Federal Minimum Wage to \$10.10 Would Lift Wages for Millions and Provide a Modest Economic Boost," Economic Policy Institute, <http://www.epi.org/publication/raising-federal-minimum-wage-to-1010/>

¹⁰ New York State, Department of Labor, "Minimum Wages," Labor Standards, <http://www.labor.ny.gov/workerprotection/laborstandards/workprot/minwage.shtm> (accessed November 14, 2014).

¹¹ See Jennifer Jones-Austin (FPWA) and James Parrott (FPI), November 5, 2014, "Expanding Opportunities and Improving City Social Service Quality Through a Career Ladder Approach,"

SELF-SUFFICIENCY WAGE FOR A BRONX FAMILY OF THREE

An hourly wage of \$13.13 in New York City yields an annual income of \$27,310, slightly above the Self-Sufficiency Standard for a single adult living in the Bronx (\$26,951). However, that single person's neighbors—a married couple with one infant—would not be self-sufficient even if **each** parent worked at jobs earning a \$13.13 hourly wage. Indeed, in order to meet their basic needs, **each** parent would need to earn \$14.66, working full time (totaling \$61,965). Five years later, when their child is old enough for full-day public school their costs will fall as they would then only need part-time child care. In the unlikely scenario that there is no increase in living expenses, the Living Wage would then be above the minimum wage (\$12.39 per hour) needed to meet their basic needs.

Among those working in community and social service occupations, over a third are in households within 200 percent of the federal poverty level. A campaign is underway in which the City would increase contract funding to establish a \$15 an hour wage floor, coupled with sector-wide support for greater professional development opportunities for lower-paid nonprofit social service workers.¹²

A minimum wage increase to \$13.13 an hour and a \$15 an hour wage floor for social service workers on City contracts represent considerable progress. Yet, these critical wage floors should not be misconstrued as ceilings. These wage levels would provide a worker with annual earnings around \$25,000-\$30,000. Neither wage rate constitutes a self-sufficiency wage for a substantial portion of the 780,000 working households below the Self-Sufficiency Standard.

Raising the wage floor is good for workers and communities with potential benefits to jobs and businesses. While raising the minimum wage provokes debate at the federal, state, or municipal level, there is considerable consensus among economists and social scientists who have studied the impacts of raising the minimum wage: raising the minimum wage has positive workplace impacts beyond the obvious one of increasing workers' earnings, including reduced turnover (increased job security for workers), increased employer investment in training, and improved employee

productivity and morale. Moreover, it has negligible negative effects on employment and minimal effects on price increases.¹³ For example:

- A 2011 study of citywide minimum wage increases by the Center for Economic and Policy Research examined minimum wage increases passed in Santa Fe, San Francisco,

and Washington, D.C., and found that wages rose for low-paid cooks, servers and workers in fast-food, food services, retail, and other low-wage establishments without causing a statistically significant decrease in total employment levels.¹⁴

- A 2014 study of San Francisco's minimum wage, health care, and paid

¹³ Arindrajit Dube, T. William Lester and Michael Reich, "Minimum Wage Effects Across State Borders: Estimates Using Contiguous Counties," Review of Economic and Statistics (November 2010), available at <http://www.irlle.berkeley.edu/workingpapers/157-07.pdf>; see also NELP Summary, available at http://nelp.3cdn.net/98b449fce61fca7d43_j1m6iizwd.pdf.

¹⁴ John Schmitt and David Rosnick, 2011, The Wage and Employment Impact of Minimum-Wage Laws in Three Cities, <http://www.cepr.net/index.php/publications/reports/wage-employment-impact-of-min-wage-three-cities> (accessed October 22, 2014).

RECOMMENDATIONS: INCREASE WAGES TO ALIGN WITH THE COST OF LIVING

1. Increase wage floors. Wages that are sufficient to cover living costs is at base what defines fair compensation. If we are committed to restoring fairness and countering rising inequality, then a higher City minimum wage floor is needed and City living wage policies should be expanded, particularly to encompass the sizable non-profit social service workforce.

The City needs to increase social service contract funding levels to make up for years of inadequate funding and enable non-profits to improve pay and advancement opportunities for poorly compensated workers. Philanthropic grant-making practices could bolster these efforts by funding the full workforce costs of carrying out projects, including allocating funds to general operating costs and overhead, and ensuring the adequacy of human resource budgets and hourly pay rates.

In New York City, raising the wage floor is the most effective single policy for countering rising inequality.

2. Index wages. Once wage floors are raised to adequate levels they should be indexed to inflation so that workers' purchasing power is not inadvertently eroded by increases in the cost of living.

3. Strengthen Employers' Policies. Investment in a stable and robust workforce, whether direct or indirect, can improve the quality of products and services, enhance company reputations, and help build a loyal customer base. It is also critical for all employers to foster salary parity across gender and racial/ethnic lines. Employers should evaluate compensation levels and pay scales of their workforces, including through the lens of equity. Corporations that contract out service or supply functions to other firms should ensure that contractors fairly compensate workers. This is good for individual workers and it is good for the bottom line.

Briefing at Philanthropy New York, www.philanthropynewyork.org/sites/default/files/resources/Presentation_Jones%20Austin%20and%20Parrott_11.05.2014.pdf

¹² Ibid.

sick leave laws, which collectively raised the compensation of low-wage people to 80 percent above the federal minimum wage, found that these laws raised pay without costing jobs. From 2004 to 2011, private sector employment grew by 5.6 percent in San Francisco, but fell by 4.4 percent in other Bay Area counties that did not have a higher local wage. Among food service wage earners, who are more likely to be affected by minimum wage laws, employment grew 18 percent in San Francisco, faster than in other Bay Area counties.¹⁵

INDEXING. Wages across sector should be indexed to the cost of living. Indexing is key to maintaining the value of the new higher wages over time.¹⁶ While we look to government to enforce an equitable floor, we look to employers across sectors to do more: raise wages beyond the floor, index them to cost of living increases, and ensure that compensation packages are fair, equitable and responsive to the need of employees to meet and move securely beyond the Self-Sufficiency Standard.

STRUCTURE EMPLOYMENT AS A PATHWAY OUT OF POVERTY TO SELF-SUFFICIENCY

In New York City, 780,000 households have at least one working adult, many of them full time, yet they lack adequate resources to meet even their most basic needs.

¹⁵ Michael Reich, Ken Jacobs, and Miranda Dietz, The Institute for Research on Labor and Employment, When Mandates Work Raising Labor Standards at the Local Level, <http://irle.berkeley.edu/publications/when-mandates-work>.

¹⁶ Such indexing since 2000 has resulted in Washington State by 2014 having the highest statewide minimum wage, \$9.32 per hour in the country.

A critical driver of employment with self-sufficiency wages is education—80% of the people without a high school degree are living below the standard of self-sufficiency. At the same time, education is not a guarantee. Twenty-one percent of all people with a four-year college degree still earn inadequate incomes.

The Self-Sufficiency Standard report highlights the persistent gender and racial inequities around what it takes to earn a self-sufficiency wage. Even with equal education and equal work effort, income inadequacy is more severe among households maintained by women alone, households maintained by people of color, and households with children. For example, women of color with some college or an associate's degree have nearly the same income inadequacy rate as white males without a high school diploma or GED (55% compared to 57%). Well into the 21st century, our low-wage workforce disproportionately consists of women, people of color, and immigrants.

Building access to better employment requires investment in career ladders, pathways and apprenticeships with consistent, systematic, and large-scale opportunities for individual growth and advancement across sectors and industries. The surge in well-paying technology jobs is an example of a promising direction for more sectors to follow and should be a pathway for traditionally less-advantaged individuals and communities. Investment in high quality education beginning in early childhood is also critically important, as are the supports that place and keep children on college

and career continuums. New York City's Universal pre-kindergarten program is a promising step and we urge the city to continue this direction of building an inclusive quality education system that begins in a child's first three years.

MAKE QUALITY, AFFORDABLE HOUSING, FOOD, AND CHILD CARE ACCESSIBLE TO ALL NEW YORKERS

As the family from the Bronx on page 8 highlights, even an increased Living Wage of \$13.13 per hour still requires work supports, such as subsidized child care, in order to cover the costs of other basic needs. Without child care, at least one parent would have to stop working, creating the need for even more supports—such as food stamps, emergency food pantries, and the costly homeless shelter system. When wages and employment benefits' packages are not sufficient for people to meet their basic needs, New Yorkers turn to public and private charity to fill the gaps. Each year that wages fall further behind the cost of living, it increases the costs to government—and to all of us as taxpayers—as well as straining the already overburdened private charity system.

Affordable housing, food, and child care are essentials to anyone who seeks to attain and maintain employment. City, state, federal, and philanthropic dollars go towards programs that provide access to millions of New Yorkers who cannot access them on their own. While these programs are critical lifelines for individuals and families all around us, at the current level, these programs do not support everyone who needs them, nor

RECOMMENDATIONS: STRUCTURE EMPLOYMENT AS A PATHWAY OUT OF POVERTY TO SELF-SUFFICIENCY

4. Identify and develop structures that consistently highlight and create access to career ladders and pathways for individuals within companies and sectors, as well as out into other industries. Employers should assess pathways for advancement in their existing workforce and build opportunities for continued and advanced employment with better wages, particularly for entry level workers and populations which have historically worked longer or required more years of education to achieve the same level of self-sufficiency. City government can lead by example through supporting more systematic professional development and career advancement opportunities for lower-paid social service workers employed under City service contracts.
5. Strengthen policies and practices that improve retention and allow workers to better balance work and family life, such as flexible work hours, predictable scheduling, work-sharing, and paid sick leave.
6. Promote new jobs and emerging industries which provide wages that are at Self-Sufficiency Standard levels and support and encourage plans for workforce retention and advancement by tying incentives and employment contracts to Self-Sufficiency Standards.
7. Utilize workforce training and development resources for preparing people for higher wage jobs in all sectors, which should include apprenticeships along with degree and credentialing programs. Fund innovative pilots and promising practices.
8. Invest in the workforce required for redressing economic inequities by sufficiently funding social and human services. The lower-wage social and human services workforce consists predominantly of women of color. Appropriate compensation and intentional career pathways build the expertise and retention rates of the workforce. Increase funding towards education and skills to build highly effective staff at all levels and to advance individuals into better-paying positions.
9. Invest in effective cradle to college continuums for target populations and communities. Resources commensurate with need must be available to keep children—particularly those from households and communities below the Self-Sufficiency Standard—on the pathway to higher education or to quality apprenticeship programs and nontraditional training. Additional support is required for efforts that ensure timely and affordable completion of degree programs and higher education.
10. Fund and support advocacy for broad scale, systemic solutions.

do they provide the depth of support needed for those who have them.

HOUSING. While all basic needs' costs have risen, the largest increase has been in housing, which has risen on average 59% between 2000 and 2014. Rising rental costs make it increasingly difficult for New Yorkers to hold onto their homes and remain in their neighborhoods. As shown in Figure 1, *Profile of Households with Inadequate Income*, 81% of the New Yorkers living below the Self-Sufficiency Standard spend more than 30% of their income on housing. Home ownership—which is one of the most reliable ways to build assets and upward mobility—is prohibitive for most New Yorkers. Rent regulations and specialized rental support programs that restrain ballooning housing cost increases are critical yet are accessible to too few households.

CHILD CARE. After housing, child care is the single greatest expense in a family's budget for those with young children. Even with equal work effort, income inadequacy is more severe among households with children. Fifty-three percent of all households below the Self-Sufficiency Standard—more than half—have children. This reflects in part the significant expense associated with raising children and the way that lack of access to affordable, high quality child care is a roadblock to primary caretakers' careers, educational advancement, and opportunities for savings.

FOOD. The cost of food has risen an average of 59% in NYC since 2000. Unlike fixed costs such as housing

and child care, food is “elastic” and spending can be reduced when available income is less. Households balance their budgets by foregoing food to pay rent, by eliminating more nutritious but costlier fruits and vegetables, and by turning to government supports such as the Supplemental Nutrition Assistance Program (SNAP), school meals and social hubs with meals, such as religious or senior centers. New York City’s emergency food network of soup kitchens and food pantries now struggle to serve 1.4 million New Yorkers annually, who are chronically uncertain as to where their next meal will come from. The impact from reduced purchasing power for food goes beyond individuals and families to food retailers. This effect was underscored by the 2011 supermarket need index which identified a widespread shortage of neighborhood grocery stores and supermarkets. High need for fresh food purveyors affects more than three million New Yorkers, with the highest need found in low-income neighborhoods.¹⁷

SAVINGS. Saving is unrealistic for many New Yorkers because there just is nothing left at the end of the month. For the first time, the 2014 *Self-Sufficiency Standard* Report calculates emergency savings as a minimum, required expense, alongside food, housing, child care, health care, transportation and taxes. Emergency short-term savings address the income and expense volatility that working poor households all too regularly face. Yet as is the case with

all calculations in the Self-Sufficiency Standard, the savings’ estimates are extremely modest. They only cover short-term, one time emergencies. Long-term asset building, such as saving for higher education, retirement, and

home buying, that enables upward mobility and economic security would require additional resources beyond Self-Sufficiency Standard level wages and emergency savings.

RECOMMENDATIONS: MAKE QUALITY, AFFORDABLE HOUSING, FOOD, AND CHILD CARE ACCESSIBLE TO ALL NEW YORKERS

For too many, work does not pay enough to afford costly basic necessities. Ensure that New Yorkers across the income spectrum, from low-to moderate- income levels, can afford their essentials.

11. NYC must continue to roll out its ambitious Affordable Housing Plan, harnessing the power of the private market to help build, preserve, and expand affordable units. Priorities include the following:

- Preserve existing affordable housing in private rent-regulated buildings, and set standards so that the impact of city-subsidized housing affordability is not undermined by short-term affordability requirements. These preservation goals are the most cost-effective way to maintain affordability for the greatest number of people. For the city-subsidized housing, the City must ensure that stronger standards are in place so that all programs are permanently affordable. The City should also work closely with neighborhood-based not-for-profit affordable housing developers, who ensure true permanent affordability. For the private rent-regulated housing, we call on Albany to repeal the Urstadt Amendment, ending state control over city rent regulations, and to also repeal the luxury decontrol threshold. We call on the NYC rent guidelines board to set yearly rental increases that are appropriate for and in line with interests of tenants as well as landlords.
- Ensure that new housing development result in the maximum amount of affordable housing by using multiple approaches and incentive levers, such as Mandatory Inclusionary Zoning and Tax Abatements. Mandatory Inclusionary Zoning would require developers who take advantage of increased zoning density to build commensurate levels of affordable housing. The 421A Tax Abatement laws are sun setting and the City and State’s response must ensure that public benefits from subsidized buildings are commensurate with the financial incentive afforded to developers. A city-wide requirement could ensure that housing built anywhere in NYC includes affordable units and, moreover, that those units indeed provide public benefit by maximizing the percentage of affordable housing and deepening the level of affordability so that local neighborhoods are truly stabilized.
- When the City provides more than one benefit to the private housing sector, benefits to the public must in turn be stacked against each other, rather than combined, so that benefits developers receive are commensurate with the benefits they provide to communities.

¹⁷ City of New York, Office of the Mayor, “New York City Food Policy: 2013 Food Metrics Report,” <http://www.nyc.gov/html/nycfood/downloads/pdf/1152-food-metrics-report-2013.pdf>.

RECOMMENDATIONS, CONTINUED: MAKE QUALITY, AFFORDABLE HOUSING, FOOD, AND CHILD CARE ACCESSIBLE TO ALL NEW YORKERS

12. Continue to expand access to high quality, affordable early education and afterschool programming:

- Successfully implement full-day universal prekindergarten to all four year-olds.
- Expand full-day universal prekindergarten to all three year-olds.
- Encourage child care centers and family day care homes to reach a diverse, economically integrated population of children by permitting sliding scale tuition and parent fee requirements and child care subsidies, engaging children from families across the income spectrum to those who pay market rate.
- Expand the capacity of infant and toddler child care provided in licensed, regulated child care centers and family day care homes.
- Expand the refundable state and local child care tax credits.
- Ensure that parents on public assistance have appropriate and complete information on the types of subsidized child care options available as well as information on available seats in high quality center based and family day care homes. Besides concrete information and options, also ensure that parents have sufficient time to secure appropriate and high quality child care.
- Successfully implement universal access to middle school afterschool programming and expand afterschool and summer programming to elementary school children and high school students.
- Ensure that the early childhood staff and afterschool staff benefit from adequate compensation, professional development and career ladders.
- Ensure that rates of reimbursement allow providers to meet quality standards.
- Overall, ensure that investment is commensurate with need, by fully funding quality, affordable, and reliable child care from birth through age five.

13. Responses to food insecurity must go beyond emergency food programs to long-term sustainable options:

- Decrease the numbers of New Yorkers living in areas with low access to fresh food purveyors by providing zoning and financial incentives to eligible grocery store operators and developers, incorporating food security priorities into affordable housing plans, and funding and expanding innovative pilots designed to increase access.
- Support ‘good food/good jobs’ initiatives that partner business, philanthropies, and government to bolster employment, foster economic growth, fight hunger, improve nutrition, cut obesity, and reduce spending on diet-related health problems by bringing healthier food into low-income neighborhoods and creating jobs. This includes seed money for food jobs projects, food processing, expanding community-based technical assistance, investment in urban aquaculture, and reduced bureaucratic burdens on food-related small businesses.
- Increase utilization and broaden and deepen access to WIC, SNAP, and School Meals, and endorse the Federal Child Nutrition Reauthorization Act with strong guidelines.

14. Ensure that all households can meet unexpected financial setbacks, especially those with the fewest resources, by building savings—both for emergencies and for asset building:

- Promote the capacity of New Yorkers at all stages of life to save with systematic, comprehensible and accessible savings options at their places of employment.
- Increase the likelihood that New Yorkers will save by instituting opt out, rather than opt in options for long-term savings programs.
- Maximize the take-up of tax credits, such as the Earned Income Tax Credit and the Child Care Tax Credit, and at the state level deepen and expand tax credits to more households at or below the Self-Sufficiency Standard. Use EITC and tax credit refunds to expand opportunities to save, both emergency and for longer-term investments.
- Remove disincentives to save. In particular, ensure that eligibility guidelines for work supports do not preclude basic and essential needs for building emergency savings. Individual Development Accounts allow welfare recipients to save for specifics like education, without losing benefits.

THE WOMEN'S CENTER FOR EDUCATION AND CAREER ADVANCEMENT (WCECA) is a 44-year-old nonprofit organization committed to the goal of economic self-sufficiency for all New York City women and families. Through innovative technology resources, work readiness programs and career services, we educate and advocate for socially just public policies and opportunities that lead to the empowerment of women. The



Women's Center targets low-income women with serious barriers to workforce participation and helps them build competencies and develop strategies for setting and meeting lifetime career and economic goals for themselves and their families. For further information on WCECA, go to www.wceca.org or call (212) 964-8934.

UNITED WAY OF NEW YORK CITY (UWNYC) has been a trusted partner to government, corporations and community-based organizations for over 76 years serving low-income New Yorkers. Our collective impact approach enables us to diagnose neighborhood challenges, design solutions to expand education, income, and health opportunities, deploy resources and volunteers, and drive policy change guided by measured results. UWNYC envisions caring communities where all individuals and families have access to quality education and the opportunity to lead healthy and financially secure lives. Join us in making New York City work for Every New Yorker. For more information, visit United Way of New York City at unitedwaynyc.org, or call (212) 251-2500.



**United Way
of New York City**

Since 1924, **THE NEW YORK COMMUNITY TRUST** has been the home of charitable New Yorkers who share a passion for the City and its suburbs—and who are committed to improving them. The Trust supports an array of effective nonprofits that help make the City a vital and secure place to live, learn, work, and play, while building permanent resources for the future. The New York Community Trust ended 2013 with assets of \$2.4 billion in more than 2,000 charitable funds, and made grants totaling \$141 million. The Trust welcomes new donors. Information at nycommunitytrust.org.



Now serving New York City for more than 30 years, **CITY HARVEST** (www.cityharvest.org) is the world's first food rescue organization, dedicated to feeding the city's hungry men, women and children. This year, City Harvest will collect 50 million pounds of excess food from all segments of the food industry, including restaurants, grocers, corporate cafeterias, manufacturers, and farms. This food is then delivered free of charge to more than 500 community food programs throughout New York City by a fleet of trucks and bikes. City Harvest helps feed the nearly two million New Yorkers who face hunger each year.



THE CENTER FOR WOMEN'S WELFARE at the University of Washington School of Social Work is devoted to furthering the goal of economic justice for women and their families. The main work of the Center focuses on the development of the Self-Sufficiency Standard. Under the direction of Dr. Diana Pearce, the Center partners with a range of government, non-profit, women's, children's, and community-based groups to: research and evaluate public policy related to income adequacy; create tools to assess and establish income adequacy; and develop programs and policies that strengthen public investment in low-income women, children, and families. For more information about the Center or the Self-Sufficiency Standard, call (206) 685-5264. This report and more can be viewed at www.selfsufficiencystandard.org.





Association

www.NYCBIDAssociation.nyc

Testimony from Ellen Baer, Co-Chair of the New York City BID Association

Good afternoon Chairs Cornegy and Garodnick and members of the Committees on Small Business Services and Economic Development. My name is Ellen Baer, President of the Hudson Square Business Improvement District. On behalf of my Co-Chair Michael Lambert, President of the Bed-Stuy Gateway BID, I offer this testimony on behalf of the NYC Business Improvement District Association. The New York City BID Association was formed in 1995 by the managers of the city's Business Improvement Districts, and its membership consists of the managers of all of the City's 72 BIDs; 48 of which are outside Manhattan.

As you already know, New York City is home to the nation's largest, most comprehensive network of Business Improvement Districts in the country. The City's BIDs annually contribute over \$100 million worth of services to more than 70,000 businesses in neighborhoods across the five boroughs. BIDs deliver supplemental services such as sanitation and maintenance, public safety and visitor services, marketing and promotional programs, capital improvements, and neighborhood beautification - all funded by a special assessment paid by property owners within the district, that is to say, with private dollars. Since its inception over twenty years ago, the City's BID program has contributed over \$930 million in supplemental services to invigorate our neighborhoods.

Over the past year, 4 additional BIDs have come on-line, 2 in Manhattan covering Hudson Yards/Hell's Kitchen and the Meatpacking District and 2 on Staten Island covering both the South Shore and West Shore. These 2 SI BIDs join Forrest Avenue, which had, until recently, been the Borough's lone BID! In addition, our members serve on steering committees throughout the City for various BIDs in formation; we frequently hear from Council Members, "when will my district get one?!" We look forward to working with the Council, SBS, and various community stakeholders as more than 20 potential new BIDs work their way through the formation process including 116th Street in East Harlem, 86th Street on the Upper East Side, and Austin Street in Forest Hills, to name a few.

None of this of course would be possible without the support of our partners at SBS. The agency works closely with both individual BIDs and our Association by connecting us to additional agency partners in government, and helping to support local economic development issues within our districts. In the past year the Association has worked closely with SBS on issues that affect our members from streamlining our contracts with the City to the pending legislation regarding the pedestrian plaza program. From DUMBO to the Flatiron and beyond, our members have partnered with DOT to assist with the functions related to these plazas including design, management, maintenance, programming, and funding. The BID Association has been in close contact with both the City Council and DOT throughout the legislative drafting process. This example highlights not only the importance of local management and programming within the plaza boundaries, but also the collaborative nature of our membership with both the Administration and City Council. We are not a one size fits all City, and we appreciate the opportunity to work with the Council and the administration to develop a responsive and flexible framework which can be applied to each unique neighborhood.

Finally, we implore the Council to continue its support and funding of initiatives that directly benefit our members and your communities. The Avenue NYC grant program funds community based development organizations to carry out commercial revitalization projects in low and moderate income neighborhoods. This \$1.38 million helps our members to organize merchants, retain and attract businesses, and improve facades.

The Council also funded the Neighborhood Development Grant Initiative this year. This competitive grant program has provided support to help BIDs and other local organizations generate new economic activity within our districts through a variety of activities. We hope that you will continue to support this valuable initiative, as well as the NYC CleanUp initiative, which helps us maintain and beautify our City's streets public spaces.

On behalf of the City's 72 BIDs and the entire BID Association, I thank you for your continued support and am available to answer your questions.

PO Box 956 Village Station - New York, NY 10014

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Date: _____

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Name: Armando Chapelliquen

Address: _____

I represent: Assoc. for Neighborhood & Housing Development

Address: _____

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Date: March 16, 2016

(PLEASE PRINT)

Name: Merble Reagon

Address: 11 Broadway NYC

I represent: Women's Center for Education &

Address: 11 Broadway Career Advancement
NY NY 10004

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Name: Ellen Baer - co-chair

Address: _____

I represent: NYC BID Association

Address: _____

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Name: Leah Archibald

Address: _____

I represent: Evergreen

Address: 2 Kingsland BK 11211

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Name: BARIKA WILLIAMS

Address: _____

I represent: ASSOCIATION FOR NEIGHBORHOOD AND

Address: HOUSING DEVELOPMENT (ANHDD)

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(PLEASE PRINT)

Name: EMMA YORRA

Address: 443 39th St 4th Ave Brooklyn NY 11232

I represent: Center for Family Life

Address: Same

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(PLEASE PRINT)

Name: MELISSA GISSER

Address: 123 WILLIAM ST, 16TH FL NY, NY 10038

I represent: URBAN JUSTICE CENTER, COMMUNITY DEV.

Address: SEE ABOVE PROJECT

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Date: 3/16/16

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Name: Adriana Mendoza

Address: 443 39th St.

I represent: CFL & Sunset Scholars LLC

Address: _____

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Name: Nancy Corin + 2 Business Outreach center

Address: _____

I represent: BOC

Address: _____

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COMMUNITIES FOR HEALTHY FOOD NYC

Date: 3/16/16

(PLEASE PRINT)

Name: BIANCA BOCKMAN

Address: 132 RALPH AVE, BROOKLYN, NY 11233

I represent: COMMUNITIES FOR HEALTHY FOOD - NORTHCAST BROOKLYN HOUSING DEVELOPMENT CORPORATION

Address: 132 RALPH AVE, BK, NY 11233

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Name: Smiley Rojas-Nunez

Address: 156-20 Riverside Drive

I represent: The Working World

Address: 228 Park Avenue South

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(PLEASE PRINT)

Name: OSMAN AHMED

Address: 40 BROAD ST, FIFTH FLOOR, NY, NY 10004

I represent: FEDERATION OF PROTESTANT WELFARE AGENCIES

Address: 40 BROAD ST, FIFTH FLOOR, NY, NY 10004

Questions

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Name: Andrew Schwartz

Address: _____

I represent: SBS

Address: 110 William Street

Questions

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Name: Shazad Ali

Address: _____

I represent: SBS

Address: 110 William Street

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Date: 3/16/16

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Name: Maria Osorio, SBS

Address: 110 William St 7th Floor, NYC, NY

I represent: NYC SBS

Address: _____

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Name: Michael Blaise

Address: _____

I represent: SBS

Address: 110 Williams Street

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Name: Elizabeth Verostek

Address: 140 William St

I represent: NYC EOC St

Address: _____

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(PLEASE PRINT)

Name: Gregg Bishop

Address: _____

I represent: SBS

Address: 110 Williams Street

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Name: Maria Torres-Springer

Address: 110 William St

I represent: WKEDE

Address: _____

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Date: 3/16/16

(PLEASE PRINT)

Name: Kim Vaccaro

Address: 110 William St

I represent: WKEDE

Address: _____

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Date: 3/16/16

(PLEASE PRINT)

Name: Jackie Mallon

Address: _____

I represent: SBS

Address: 110 William Street

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