

**Testimony by Quenia Abreu, President & CEO
New York Women's Chamber of Commerce
before the
New York City Council Committee on Contracts**

Thursday, June 25, 2009

Good Morning. My name is Quenia Abreu, President of the New York Women's Chamber of Commerce. My organization represents over 2000 women and 300 hundred men, who own small businesses in the City of New York. Our organization was founded to provide support and technical assistance to current and aspiring small businesses within the confines of the City of New York, focusing primarily on women and minorities.

As you already are aware, over 90% of the businesses that produce revenue for the City of New York are small businesses. They are the economic backbone of our economy and receive little recognition and or assistance. They also employ the largest number of workers in the City of New York. Yet, they are the first to feel the negative turns in the economy and the last to receive any economic assistance if there is any. Our small businesses are still waiting for their bail out package... a package we all know will never come, nor are they directly included in the present bail out voted by congress. Indirectly they might be able to benefit, considering they are able to bid and win, in favorable conditions, some of the contracts that will be available through the city agencies as a result of the stimulus package.

These favorable conditions can only exist when a small business owner is able to bid and win a contract by providing goods and services at the right competitive price not at the lowest possible price. When city agencies award a contract to the lowest possible

bid, we are hurting our small businesses. The bigger the business, the lowest the price it can offer. Small businesses can not compete with the prices available by the big corporations. They can be easily outbid, and when they do win; their profit is marginal, reason why some of our small businesses have opted for not competing for city procurement contracts.

Our businesses are hurting badly, they deserve to be helped. Many are closing shop and releasing even more hard working New Yorkers to the unemployment line. We need them to continue providing employment and to fuel our economy, reasons why I support the council decision to call upon the New York State Legislature to pass and the governor to enact S. 3514 and A.7369 authorizing political subdivisions to award public competitively bid contracts to businesses that participate in programs designed to foster the participation by small local businesses in public procurement at a cost premium not to exceed ten percent of the lowest bid.

Thank you for your kind invitation to speak today and for your work on behalf of the City's small businesses.

City Council Testimony

Nontraditional Employment for Women (NEW)

Jennifer Williford, Development Officer

Committee on Contracts

Resolution 1977

Thank you for the opportunity to speak to the Committee this morning (afternoon). We are extremely grateful to the City Council for its continued support of our program. City Council funding for our programs and our City-owned facility has helped NEW to continue to grow over the last few years.

Nontraditional Employment for Women (NEW) trains women and places them in careers in the skilled construction, transportation, utility, and facilities maintenance industries. NEW focuses on unionized jobs in the trades that have starting wages averaging \$15 per hour, health benefits, and provide a path to higher-wage employment. These careers enable women to move from unemployment or low-wage employment and provide an opportunity for women to secure a future for themselves and their families. Eighty-five percent of the women NEW serves identify themselves as minorities. NEW students face many risk factors including histories of domestic violence, substance abuse, criminal activity, and lack of stable housing. Many NEW students are low-income women who struggle to provide for their families.

NEW provides opportunities for women through hands-on training and education, workforce development, and policy advocacy. Over the past year, NEW has trained 450 women and placed 300 women in more than 250 new jobs with 19 unions. Our direct relationship with unions and employers places NEW in the unique position to provide rigorous training and job skills that will help our graduates succeed in the field. We provide ongoing education and social service support to our students and graduates. As a result of a coordinated effort between NEW, labor unions, contractors, and government, the number of women construction workers in New York City has grown substantially. We have seen tremendous progress, but women still represent only a small fraction of construction workers today.

NEW strongly supports Resolution 1977 which would allow the City to award public procurement contracts to participants of a small business enterprise program at a cost premium of up to ten percent. The benefits of this legislation are numerous. It will expand contracting opportunities for women, minority, and local-owned businesses, diversify the City's vendor base, strengthen the City's economy, and most importantly, help place more women on construction projects.

M/WBE's and local-owned businesses are more likely to hire minority and women subcontractors.

I recently spoke to Christine Knoblock, a NEW graduate and the owner of Christine Painting. She mentioned to me that business was slow and she was worried that she might have to close her business. But she said that she would keep looking for work and that she would continue to hire union painters, preferably women. She said that NEW had been instrumental in preparing her for a career as a painter and had also encouraged her to start her own business. Our students are not just tradeswomen, they are small business owners committed to the trades and working to strengthen the industry.

Resolution 1977 will give New York City the flexibility to increase the participation rates of M/WBE's and local-owned businesses, but it will also allow the City to encourage a requirement that New York City construction contracts be awarded to contractors and subcontractors with agreements with New York State Department of Labor registered apprenticeship programs and establish a requirement at or above 6.9 percent for participation by women in the trades on City-funded construction projects. This will ensure that women will be able to participate in construction in New York City and earn a living that will allow them to support their families.

NEW supported the Council when it passed Local Law 129, which set forth participation goals for M/WBE's to increase participation in City procurement, but year after year, the City has failed to reach these goals due in large part to the restrictions of state legislation. We are encouraged by these new measures that will ensure full and equal participation for M/WBE and local-owned businesses. The federal funding provided by the American Recovery and Restabilization Act will revitalize New York's infrastructure. Women should and must be a part of these projects at all levels. Today, NEW is training the tradeswomen that will help build New York City tomorrow.

NEW supports women. We support women working. And we support women working in the building and construction trades. Thank you for your time and for your continued support of NEW.

Testimony before the New York City Council Committee on Contracts
Resolution No. 1977 – Local Procurement
June 25, 2009

My name is Amy Anderson and I am the Project Manager for Sustainable Initiatives at the New York Industrial Retention Network (“NYIRN”). I would first like to thank the Contracts Committee for giving me the opportunity to testify today on incorporating a price preference for local businesses in New York State’s procurement policy.

NYIRN is a citywide economic development organization that works with manufacturers to retain and create blue-collar jobs and to promote sustainable development. We work with over 200 manufacturing companies a year through a suite of programs and services. These firms provide goods to a host of local sectors including the restaurant and retail businesses as well as the public sector. Their role is critical to maintaining a diverse local economy.

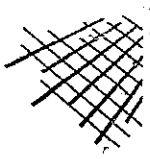
The downturn of the economy has deeply impacted these small businesses, most of who are looking to participate in government contracting, but have not been able to access the market or are repeatedly underbid by non-local firms. NYIRN has provided assistance to manufacturing companies looking to sign-up for government purchasing—specifically those involved in the building product market. The passage of Local Law 86 and as well as city government’s shift in preference for more environmentally benign products has created an additional market for local manufacturers to sell their goods. Through our Spec It Green: The Local Advantage program, NYIRN invited both city and state agencies to present on and talk with manufacturers about how they can sell to

government, including the information they should have available about their company and products.

Additional opportunities for local purchasing are being created through other forms of legislation including the suite of energy efficiency bills for existing buildings (proposed initiative nos. 476-A; 967; 973; and 564-A). These initiatives outline a comprehensive process for which building owners (and some net lessees) will ultimately be required to implement energy conservation measures to increase their building's energy efficiency. We anticipate an increase in the types of materials and equipment needed to retrofit these existing buildings—many of which can be produced within the five boroughs.

New York State's proposed bills S.3514 and A.7369 suggest a cost premium of ten percent (10%) of the lowest bid for small local businesses. Such a premium will give our local stores and factories a competitive edge in the bidding process—which in turn will expand their existing customer base and secure their place as a vibrant component in the city's economy. The small business sector is a dominant employer of city residents and should therefore be supported through such initiatives as local procurement preferences to ensure their survival.

The State's adoption of such a preference would be consistent with many other state policies throughout the U.S. who leverage the participation of small local firms by giving them a percentage preference on bids (such as California, Hawaii, and Maine) or offer



other pre-determined conditions for preference including states Florida, Colorado, and New Mexico.¹

Finally, NYIRN also lends its support in establishing programs based on political subdivisions that will provide outreach and education services to small businesses regarding public procurement opportunities. Marketing and promotion are critical components to the success of this initiative. These businesses generally lack the time and resources to explore government incentive programs and fulfill the administrative requirements associated with them.

New York State's development and implementation of a local procurement law sets a precedent for its cities to follow that will diversify the public marketplace and strengthen small business—the lifeblood of today's economy. NYIRN offers its services to reach out to its network of local manufacturing firms, ensuring that small production businesses learn about and fully participate in this opportunity.

¹ "Reciprocal Preference Laws". State by State Reciprocal Preference Data.
http://www.oregon.gov/DAS/SSD/SPO/reciprocal_detail.shtml

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June 25, 2009

Ms. Lisette Camilo
Legislative Attorney
New York City Council
250 Broadway 14th floor
New York, NY 10007

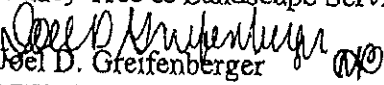
RE: NYC Council's Committee on Contracts
Hearing on Reso. No. 1977

Dear Lisette:

I had hoped to attend the above mentioned hearing today June 25, 2009.
Following is the testimony I would have presented to the committee.

Thank you for your attention to this matter.

Sincerely,
Valley Tree & Landscape Service, Inc.


Joel D. Greifenberger
NYS Certified Arborist/President

VALLEY TREE & LANDSCAPE, INC.

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Reso. No. 1977 will provide an incentive for local small businesses to participate in public procurement process. The 10% price preference suggested will allow local small business to compete with larger firms. Local small companies tend to employ people from the surrounding communities. As a small business owner I am acutely aware that most of our revenue is spent on various operating costs we purchase from local vendors. Any program that supports local small business will benefit the surrounding community.

In order to benefit a larger number of small business a provision should be included in procurement contracts requiring that local small businesses are utilized for a portion of any work that is subcontracted.

A simple participation goal requiring prime contractors to undertake a good faith effort to use local small businesses without regard to race or gender for a minimum percentage of subcontracted services would have the broadest application providing the largest financial infusion into local economies.

Participation goals would impact many companies on a daily basis rather than the fewer instances where the small business would benefit by being awarded a job under a million dollars.

Thank you for your concern and support.

Sincerely,

Valley Tree & Landscape Service, Inc.


Joel D. Greifenberger

President

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Jennifer Williford
Address: Nontraditional Employment for Women

I represent: _____

Address: _____

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. 1977

in favor in opposition

Date: 6/25/09

(PLEASE PRINT)

Name: Jennifer Williford
Address: _____

I represent: Nontraditional Employment for Women

Address: 243 West 20th St, NY, NY 10011

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. 1977

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Amy Anderson

Address: 11 Park Place Ste 914 NYC 10007

I represent: NYIRN

Address: 11 Park Place 914 NYC 10007

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1977 Res. No. _____

in favor in opposition

Date: 6/25/09

(PLEASE PRINT)

Name: Quenia Abreu

Address: 1524 Amsterdam Ave. NY NY

I represent: NY Women's Chamber of Comm

Address: Same as above.

Please complete this card and return to the Sergeant-at-Arms