

COMMITTEE ON ECONOMIC DEVELOPMENT

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CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON ECONOMIC DEVELOPMENT

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December 16, 2024

Start: 1:05 p.m.

Recess: 2:36 p.m.

HELD AT: COMMITTEE ROOM - CITY HALL

B E F O R E: Amanda Farías, Chairperson

COUNCIL MEMBERS:

Alexa Avilés

Rafael Salamanca, Jr.

Inna Vernikov

A P P E A R A N C E S

Kitty Chan, Deputy Commissioner for the Division  
of Business Services at the New York City  
Department of Small Business Services

Sherri Lane, Assistant Commissioner for Capital  
Access and Business Programs at the New York City  
Department of Small Business Services

Lacey Tauber, representing Brooklyn Borough  
President Antonio Reynoso

Leah Archbald, Executive Director of Evergreen

Doug Young, LEERFORM Fabrication and Design

Osagie Afe, Senior Business Assistance Manager at  
Long Island City Partnership

Quincy Ely-Cate

Brady Meixell, Government Relations and Business  
Services Manager for the Southwest Brooklyn  
Industrial Development Corporation

Ernie Wong, owner of Shanghai MKS

Christopher Leon Johnson, self

Quincy Ely-Cate, Director of Industrial Business  
Development at the Business Outreach Center

2 SERGEANT-AT-ARMS: Sound check for the  
3 Committee on Economic Development. Today's date is  
4 December 16, 2024. Being recorded by Danny Huang in  
5 the Council Committee Room.

6 SERGEANT-AT-ARMS: Quiet, please. Thank  
7 you. Good afternoon, and welcome to the New York City  
8 hybrid hearing of the Committee on Economic  
9 Development.

10 Please silent all electronic devices at  
11 this time.

12 Also, please do not approach the dais.

13 If you have any questions, please raise  
14 your hand and one of us, the Sergeant-at-Arms, will  
15 kindly assist you.

16 Thank you very much for your kind  
17 cooperation.

18 Chair, we're ready to begin.

19 CHAIRPERSON FARÍAS: [GAVEL] Good morning,  
20 and welcome to today's New York City Council Hearing  
21 of the Committee on Economic Development. Today is  
22 December 16, 2024, and it's 1 p.m., so good  
23 afternoon. My name is Amanda Farías, and I have the  
24 privilege of chairing this Committee. I would like to  
25 thank the Administration for joining us today for

2 this important hearing on industrial business service  
3 providers.

4           New York City's industrial sector  
5 provides over half a million public and private  
6 sector jobs and represents a crucial pathway to the  
7 middle class, particularly for New Yorkers without a  
8 college degree. Manufacturing positions pay an  
9 average annual wage of over 71,000 dollars,  
10 significantly higher than retail sector jobs.

11 However, these businesses face significant  
12 challenges, including real estate pressure, complex  
13 regulatory requirements, and difficulty assessing  
14 City incentive programs. The purpose of today's  
15 hearing is to examine how effectively our industrial  
16 business service providers are working to address  
17 these challenges and what additional support they  
18 need to better serve this vital sector.

19           This hearing comes at a critical moment.  
20 In September, the City took an important step by  
21 launching its first comprehensive industrial  
22 development strategic plan as mandated by Local Law  
23 172 of 2023. This initiative creates an opportunity  
24 to address longstanding challenges we've heard about  
25 from industrial businesses and IBSPs regarding access

2 to City resources and incentives. Program  
3 requirements that may work well for larger  
4 businesses, like minimum investment thresholds and  
5 extensive documentation requirements, often create  
6 significant barriers for smaller manufacturers trying  
7 to access City support services. The Industrial  
8 Business Service Provider Network has proven to be an  
9 invaluable resource helping hundreds of businesses  
10 each year navigate complex regulations, access  
11 financing, and connect with workforce development  
12 programs.

13           However, to fully realize their  
14 potential, we need to ensure IBSPs have sufficient  
15 resources and support to carry out their mission  
16 effectively. We want to understand how SBS is working  
17 to strengthen these partnerships, improve  
18 coordination between IBSPs and other City agencies,  
19 like EDC and City Planning, and expand their capacity  
20 to support both business retention and growth. We are  
21 particularly interested in examining how current  
22 incentive programs could be reformed to better serve  
23 smaller industrial businesses. The IBZ Relocation Tax  
24 Credit, for instance, is a great incentive for  
25 businesses looking to move to or within the city, but

2 there is no similar support for existing businesses  
3 trying to remain in place. Financial assistance  
4 through the Industrial Development Agency requires  
5 minimum capital investments of a million dollars to  
6 qualify, while the customized training program  
7 requires at least 10 employees, thresholds that  
8 exclude many small manufacturers. We've heard from  
9 IBSPs that these requirements combined with complex  
10 application processes and reimbursement-based funding  
11 create significant barriers for the businesses they  
12 serve. Furthermore, we want to understand how SBS is  
13 building on successful programs like the Energy Cost  
14 Savings Program while addressing critical challenges  
15 in areas like regulatory compliance and workforce  
16 development. With industrial businesses facing rising  
17 operational costs, a reduction in M-zoned land, and  
18 strong recruitment efforts from neighboring  
19 jurisdictions, it's essential that New York City  
20 support programs are responsive to our industrial and  
21 manufacturing sectors' businesses' needs.

22           Before we begin, I would like to take a  
23 moment to acknowledge the Economic Development  
24 Committee Staff, Senior Counsel Alex Paulenoff,  
25 Senior Policy Analyst William Hongach, and Finance

2 Analyst Glenn Martelloni for their hard work in  
3 preparing for this hearing.

4 I'll now turn it over to our Committee  
5 Counsel to administer the oath.

6 COMMITTEE COUNSEL PAULENOFF: Thank you,  
7 Chair. Will all Members of the Administration  
8 testifying today please raise your right hands?

9 Do you swear or affirm to tell the truth,  
10 the whole truth, nothing but the truth in your  
11 testimony today, and to respond honestly to Council  
12 Member questions?

13 DEPUTY COMMISSIONER CHAN: I do.

14 ASSISTANT COMMISSIONER LANE: Yes.

15 COMMITTEE COUNSEL PAULENOFF: Thank you.  
16 You may begin when ready.

17 DEPUTY COMMISSIONER CHAN: Good afternoon,  
18 Chair Fariás and Members of the New York City  
19 Council's Economic Development Committee. My name is  
20 Kitty Chan, and I am the Deputy Commissioner for the  
21 Division of Business Services at the New York City  
22 Department of Small Business Services, SBS. I am  
23 joined today by Assistant Commissioner for Capital  
24 Access and Business Programs, Sherri Lane. We are  
25 pleased to discuss how SBS' network of business

2 service providers strengthens the city's vibrant and  
3 diverse business community, including industrial  
4 businesses. SBS' mission is to create economic  
5 security for all New Yorkers by connecting them to  
6 good jobs, creating stronger businesses, and building  
7 thriving neighborhoods. Our Division of Business  
8 Services, DBS, oversees our Business Solution  
9 Centers, BSCs, and Industrial Business Service  
10 Providers, IBSPs. Since 2004, these centers, located  
11 in all five boroughs, offer business courses, access  
12 to capital, legal assistance, M/WBE certification,  
13 and recruitment services. Courses cover major  
14 business topics such as planning, operations,  
15 financial management, marketing, technology, and  
16 legal issues. To ensure content relevance, our  
17 centers partner with lawyers, accounting  
18 professionals, bankers, and marketing consultants.  
19 Many courses are available in multiple languages,  
20 including Spanish, Chinese, Russian, Korean, Haitian  
21 Creole, French, Bengali, and Arabic. Staff at our  
22 nine community-based IBSPs are cross-trained to  
23 deliver industry-specific guidance tailored to the  
24 unique needs of businesses in manufacturing,  
25 construction, transportation, wholesale, utilities,



2 and film production, while also providing the  
3 comprehensive suite of SBS business services. Through  
4 our IBSPs, SBS also promotes city, state, and federal  
5 incentive and cost-saving programs, putting millions  
6 of dollars back in the pockets of business owners.

7 One such example is AbleSign, a film and TV  
8 production company that pivoted to system integration  
9 technology, which successfully relocated to  
10 Brooklyn's Industry City with support from the  
11 Relocation and Employment Assistance Program, REAP,  
12 and SBS' Energy Cost Savings Program, ECSP,  
13 incentives. These programs enable the company to  
14 expand its operations and retain 80 employees in the  
15 Southwest Brooklyn Industrial Business Zone.

16 Our Business Express Services Team, NYC-  
17 BEST, has saved businesses over 36 million dollars in  
18 fines and fees by helping them navigate City  
19 regulations and avoiding fines and fees. SBS'  
20 Commercial Lease Assistance Program has provided over  
21 3,200 businesses with pro bono support, helping  
22 owners negotiate leases with landlords. In 2023, my  
23 team executed the largest public-private loan program  
24 in city history to support small businesses. Through  
25 collaboration with eight community development

2 financial institutions, CDFIs, Goldman Sachs, and  
3 MasterCard Center for Inclusive Growth, the New York  
4 City Opportunity Fund provided over 85 million  
5 dollars in low-interest loans to more than 1,000  
6 small businesses, 80 percent of which identified as  
7 minority or women-owned.

8 Building on this momentum, last September  
9 we partnered with Next Street to launch NYC Funds  
10 Finder, the City's first online capital marketplace  
11 for small businesses. Through the Funds Finder  
12 website, entrepreneurs can schedule one-on-one calls  
13 with financing account managers who help them apply  
14 for loans and grants. Over 5,000 businesses have  
15 created accounts, and more than 1,000 one-on-one  
16 consultations have been held since the launch. Across  
17 all our capital access network, SBS has facilitated  
18 over 290 million to small businesses since the start  
19 of the Adams Administration.

20 SugaWrap, LLC, a women-owned Bronx-based  
21 business producing 100 percent biodegradable and  
22 compostable food containers illustrates the impact of  
23 SBS' capital access programs. Using the NYC Funds  
24 Finder platform, Sabine Prost connected with a  
25 financing account manager at our Bronx-based IBSP in

2 January and received a 34,000-dollar loan in March of  
3 this year. SBS helped to improve the business's  
4 financial statements and projections used in their  
5 financing package. This funding allowed SugaWrap to  
6 purchase bulk inventory at better rates, invest in  
7 marketing, and establish a cash reserve positioning  
8 her business for continued growth.

9           Our work would not be possible without  
10 the strong partnership we share with the City  
11 Council. This summer, the Council passed the  
12 Administration's landmark City of Yes for Economic  
13 Opportunity Zoning proposal, modernizing outdated  
14 restrictions on where businesses can operate. This  
15 overhaul expands opportunities for breweries, 3D  
16 printing shops, apparel makers, and bakeries to  
17 establish themselves in commercial districts. These  
18 changes enable light manufacturing to move closer to  
19 customers in areas previously restricted by zoning  
20 rules.

21           SBS is also collaborating with the  
22 Department of City Planning, DCP, and NYC Economic  
23 Development Corporation, NYC EDC, to implement Chair  
24 Farías' Local Law 172 of 2023, supporting the  
25 development of the New York City Industrial Plan, a

2 citywide framework to guide industrial policy. As  
3 part of this effort, DCP launched an industrial plan  
4 business survey to gather insights on business  
5 operations, space needs, challenges, and  
6 opportunities for improvement. To date, SBS providers  
7 have conducted door-to-door outreach in industrial  
8 business zones, IBZs, distributed the survey  
9 digitally, and sent targeted email blasts. Council  
10 Members can assist by encouraging constituents to  
11 participate at [www.nyc.gov/industrialplan](http://www.nyc.gov/industrialplan).

12 Industrial businesses employ over half a  
13 million New Yorkers and make up just over 50 percent  
14 of all businesses. They are essential to the city's  
15 economy and critical to local supply chains. We are  
16 proud of our work serving all businesses, including  
17 industrial businesses, through our centers, hotline,  
18 and staff across the five boroughs. Thank you for the  
19 opportunity to testify, and we welcome any questions  
20 you may have.

21 CHAIRPERSON FARIÁS: Great. Thank you so  
22 much for your testimony this morning.

23 I'd like to talk a little bit about IBSP  
24 program operations. How many industrial businesses  
25 did IBSPs serve this year in total?

2 ASSISTANT COMMISSIONER LANE: Thank you  
3 for that question. Since the beginning of the  
4 Administration, the IBSPs have served almost 2,000  
5 small businesses, 1,771 to be exact.

6 CHAIRPERSON FARIÁS: Sorry, you said 2012  
7 in the last three years, I guess, coming up?

8 ASSISTANT COMMISSIONER LANE: Since  
9 January 2022.

10 CHAIRPERSON FARIÁS: 2022, okay. Okay,  
11 great. What is the geographic distribution across the  
12 IBSPs, and what are the most common types of  
13 assistance required?

14 ASSISTANT COMMISSIONER LANE: We have nine  
15 industrial business service providers, and there are  
16 three in Brooklyn, three in Queens, one in Manhattan,  
17 one in the Bronx, and one in Staten Island.

18 CHAIRPERSON FARIÁS: And common types of  
19 assistance that's requested from these IBSPs?

20 DEPUTY COMMISSIONER CHAN: For all  
21 businesses, we provide them with business  
22 consultations to make sure that we're actually  
23 meeting their needs. A lot of businesses may come in  
24 unaware of the vast array of services that SBS

2 offers, so we find that business consultations make  
3 the most sense for all businesses.

4 CHAIRPERSON FARIÁS: Okay, and how do you  
5 measure program outcomes?

6 DEPUTY COMMISSIONER CHAN: Well, we have  
7 metrics in terms of goals reached, businesses  
8 reached, for the BSCs, the number of courses  
9 delivered, the number of business consultations  
10 delivered.

11 CHAIRPERSON FARIÁS: Okay, and we've also  
12 been joined by Council Member Vernikov.

13 What is the current funding level for the  
14 IBSP program?

15 DEPUTY COMMISSIONER CHAN: For the IBSPs,  
16 it's approximately 1.4 million.

17 CHAIRPERSON FARIÁS: Is the current  
18 funding sufficient to meet the demands?

19 DEPUTY COMMISSIONER CHAN: What we've done  
20 over the past few years, obviously through the  
21 pandemic and through several PEGs in the  
22 Administration, we've actually protected the funding  
23 levels and so that we've ensured that our IBSPs, our  
24 BSCs, which are the gateways to all of our services,  
25 that their levels remain the same. In fact, and at

2 this point, we're actually providing services to more  
3 businesses than ever.

4 CHAIRPERSON FARIÁS: And you've mentioned  
5 a couple of the PEGs. Can we talk monetarily, like  
6 the actual amounts of how this has changed over the  
7 past five years?

8 DEPUTY COMMISSIONER CHAN: It hasn't.

9 CHAIRPERSON FARIÁS: It hasn't at all,  
10 there haven't been any PEGs?

11 DEPUTY COMMISSIONER CHAN: No, we've  
12 protected these programs.

13 CHAIRPERSON FARIÁS: Okay. What impact  
14 does the annual funding cycle have on program  
15 stability?

16 DEPUTY COMMISSIONER CHAN: I'm sorry?

17 CHAIRPERSON FARIÁS: You're serving more  
18 providers, right? Could we be asking for more money  
19 doing more or are we doing the best we can with what  
20 we have?

21 DEPUTY COMMISSIONER CHAN: Well, what we  
22 found is that we were leveraging technology more. So  
23 for example, through the Funds Finder, we've actually  
24 been able to connect more businesses to information  
25 about funding. We're leveraging technology where we

2 can through the pandemic. We also launched the small  
3 business hotline, which I'm proud to say this past  
4 year, we've noticed an increase to our hotline calls  
5 of 24 percent on average each month so I think that  
6 what's changed is the lessons learned. We're  
7 utilizing technology, we're looking to see where we  
8 can make adjustments in the way we deliver our  
9 services.

10 CHAIRPERSON FARIÁS: Outside of the small  
11 business hotline, what are the other technological  
12 programs, initiatives, assistance that you're doing  
13 for IBSPs?

14 DEPUTY COMMISSIONER CHAN: Aside from the  
15 hotline, the Funds Finder, we've also been making  
16 improvements along the way on our SBS Connect form on  
17 our website. We're also looking at the CRM technology  
18 that we've provided. Even utilizing Teams, we've been  
19 able to provide more trainings to our providers and  
20 also create what we call Team chats so that if they  
21 have technical questions on specific programs,  
22 they're able to ask us and we're able to provide all  
23 of them with answers in real time.

24 CHAIRPERSON FARIÁS: Okay. How do you  
25 coordinate between IBSPs and other City agencies?



2 DEPUTY COMMISSIONER CHAN: Well, thank you  
3 very much for that question. Our IBSPs have been  
4 really great providers for us and what we do is we  
5 actually meet with them regularly to learn about  
6 their concerns and questions, and what we do is we  
7 actually try to connect them with services through  
8 us. Anything that's raised, we actually work with our  
9 sister agencies and we've developed really good  
10 relationships with them.

11 CHAIRPERSON FARIÁS: Okay, and what's your  
12 relationship with the EDC and IDA?

13 DEPUTY COMMISSIONER CHAN: Well, EDC  
14 administers the program. What we do is IDA is one of  
15 the things that we discuss when a business receives  
16 an incentives consultation. Our Incentives Team  
17 actually meets regularly with EDC to discuss any  
18 cases or any issues.

19 CHAIRPERSON FARIÁS: Okay. How do you  
20 folks work with DCP on land use issues affecting  
21 industrial businesses?

22 DEPUTY COMMISSIONER CHAN: Thank you very  
23 much for that question. DCP has been a really good  
24 partner to us. We worked together on the survey for  
25 the industrial business plan, and what we're doing is

2 actually meeting regularly to discuss any issues that  
3 we may have so whenever anything comes up, they've  
4 been really good partners to us.

5 CHAIRPERSON FARIÁS: Then in terms of your  
6 meetings with the IBSPs and SBS and the other  
7 agencies, what feedback mechanisms exist between the  
8 two parties and how do you incorporate that feedback  
9 into the program design?

10 ASSISTANT COMMISSIONER LANE: The feedback  
11 would go through the Administration, myself and  
12 Sherri as well as the program team that's working  
13 with them. We take all feedback that we receive from  
14 our providers very seriously and we try to  
15 incorporate it and make sure that we're delivering  
16 high-quality, free services to New York.

17 CHAIRPERSON FARIÁS: Thank you. We've also  
18 been joined by Council Member Avilés.

19 Then how do you folks track business  
20 retention rates, what metrics do you use to measure  
21 job creation and retention, and how do you evaluate  
22 the effectiveness of the different types of  
23 assistance that you folks are offering?

24 DEPUTY COMMISSIONER CHAN: We don't  
25 measure retention rates, but what we do is we ensure

2 that our programs are providing high-quality service  
3 as well as making sure that we're actually meeting  
4 the needs of the business. When I discussed our  
5 business consultations, we offer the full suite of  
6 SBS services, whether it's our pro bono legal  
7 services, our Commercial Lease Assistance Program,  
8 our incentives consultations, assistance in  
9 navigating government, so what we've done is really,  
10 what I feel has provided a really incredible suite of  
11 services to New York small businesses.

12 CHAIRPERSON FARIÁS: I guess for me in  
13 terms of not measuring retention, how do you folks  
14 then take in the feedback or the meetings that you're  
15 having with DCP, with EDC, IDA, like folks that are  
16 able to then say, I'm almost positive EDC and DCP can  
17 go back to you and say, we've lost X amount of  
18 businesses. If we're not looking at what services  
19 we're providing or the lack thereof, how are we  
20 effectively measuring what's impacting businesses to  
21 stay or the IBSP services that are provided?

22 DEPUTY COMMISSIONER CHAN: Thank you very  
23 much for that question. One of the things that we do  
24 is actually make sure that we're measuring the  
25 success of our programs, working with our sister

2 agencies to make sure that we are meeting the needs.  
3 We're always interested in learning more about our  
4 programs, making adjustments as needed, and then  
5 again, at this point, SBS is providing assistance to  
6 more businesses than ever. I'm really proud of what  
7 we do. Our New York City Business Express Services  
8 team, they've helped to cut tens of millions of  
9 dollars for small business owners by education and  
10 that's the most important thing here at SBS is  
11 education first. We find that a lot of businesses  
12 aren't even aware of things. So, for example, when we  
13 learn about a program, we make sure that all of our  
14 providers are aware of not only the program, but we  
15 provide them with technical assistance afterwards to  
16 ensure that if they get any questions, we're  
17 answering them in real time for all of them.

18 CHAIRPERSON FARIÁS: Okay. I mean, I think  
19 my questions or at least my secondary thought goes  
20 directly to my bill and the law that we created,  
21 right? I think more times than not, a lot of our  
22 approaches are siloed and we're not evaluating them  
23 overall, and I hope over time we get to see the goal  
24 of the industrial development strategic plan to kind  
25 of showcase some of whether like the challenges or

2 the successes of businesses in the city or retention  
3 factors and things like that.

4 ASSISTANT COMMISSIONER ORTIZ: Thank you.

5 And Chair Farías, as you're aware, the survey is  
6 being conducted now. It's going to be open till the  
7 spring. We're going to take the feedback very  
8 seriously. We're looking at everything, business  
9 size, even the size of the space, the number of  
10 employees, what are the challenges they have. This is  
11 the survey where we're really looking forward to  
12 getting the feedback and actually helping to inform  
13 possible changes in our programming as well so yes,  
14 thank you.

15 CHAIRPERSON FARIÁS: Yeah, absolutely. I  
16 mean, even just beyond the survey, I think we're  
17 coming upon another budget cycle, and so even being  
18 able to say like, well, you know your incentives or  
19 initiatives might be more impactful, you do have a  
20 small subset, and I think by being able to evaluate  
21 in a larger framework and say maybe we need to not  
22 invest in this area but invest more deeply in one of  
23 your initiatives, that could help with better  
24 outcomes, but we are talking in circles. Yes, we both  
25 agree.

2 DEPUTY COMMISSIONER CHAN: Thank you and I  
3 look forward to the opportunity of talking to you  
4 about that further. Thank you.

5 CHAIRPERSON FARIÁS: Absolutely. We've  
6 heard concerns from industrial businesses about  
7 difficulty in accessing the City incentive programs.  
8 What steps are you folks taking to streamline the  
9 various application processes and how are you  
10 addressing any of the mismatch between program  
11 requirements and small business needs?

12 DEPUTY COMMISSIONER CHAN: Thank you very  
13 much for that question. As I mentioned to you, we  
14 provide incentive consultations to small businesses,  
15 mostly our incentives are to energy cost savings  
16 programs. We do refer them to other incentives that  
17 they are eligible for. We also actually help provide  
18 them with information if they actually need help in  
19 their applications. So to date, in this Fiscal Year,  
20 we've provided over 143 business incentives  
21 consultations, but that's just the start of our  
22 relationship with these industrial businesses.

23 CHAIRPERSON FARIÁS: Okay, and so you said  
24 143 are getting consultations?

2 DEPUTY COMMISSIONER CHAN: This fiscal  
3 year.

4 CHAIRPERSON FARIÁS: This fiscal year. And  
5 do we know the percentage of eligible businesses that  
6 are currently accessing SBS incentives?

7 DEPUTY COMMISSIONER CHAN: Thank you very  
8 much for that question. I'm going to have to get back  
9 to you with that information.

10 CHAIRPERSON FARIÁS: Sure. Are there any  
11 barriers that you have identified with engaging with  
12 industrial businesses?

13 DEPUTY COMMISSIONER CHAN: With the aging?

14 CHAIRPERSON FARIÁS: With engaging.

15 DEPUTY COMMISSIONER CHAN: Oh, engaging?

16 CHAIRPERSON FARIÁS: Sorry, engaging.

17 DEPUTY COMMISSIONER CHAN: Thank you very  
18 much for that question. Actually, we don't. This  
19 Administration, we've been really blessed to have  
20 been able to get two really engaging Commissioners.  
21 Our former Commissioner, Kevin Kim, and our current  
22 Commissioner, Commissioner Dynishal Gross. As you're  
23 well aware, they're really engaged in going out and  
24 meeting the businesses where they're at. We've  
25 actually done many corridor tours with yourself and

2 other Council Members as well. We look forward to  
3 that continued relationship and going out to the  
4 businesses. We're also really pleased to be able to  
5 say this past year, we actually hosted our first New  
6 York City Small Business Expo with over 3,000  
7 businesses attending, this is the first time we'd  
8 ever done it. All of our IBSP providers were present  
9 and we're really looking forward to hosting another  
10 one this year.

11 CHAIRPERSON FARIÁS: Great. And why is  
12 there a minimum requirement of 10 employees for the  
13 customized training program?

14 DEPUTY COMMISSIONER CHAN: Thank you very  
15 much for that question. I'm going to have to get back  
16 to you about that.

17 CHAIRPERSON FARIÁS: Okay. Do you know how  
18 many industrial businesses participated this year in  
19 the customized training?

20 DEPUTY COMMISSIONER CHAN: Thank you.  
21 Again, I'm going to have to get back to you about  
22 that.

23 CHAIRPERSON FARIÁS: Why isn't the energy  
24 cost savings program connected to the commercial  
25 expansion program?



2 DEPUTY COMMISSIONER CHAN: I'm going to  
3 have to get back to you on that one.

4 CHAIRPERSON FARIÁS: No problem. So, I've  
5 heard paperwork requirements often outweigh the  
6 benefits for programs like accelerated sales tax  
7 exemption program offering up to 100,000 dollars in  
8 tax breaks for eligible businesses. How are you folks  
9 addressing this, and what's the average processing  
10 time for applications if you have that?

11 DEPUTY COMMISSIONER CHAN: Thank you very  
12 much for that question. As I mentioned, during our  
13 incentives consultations, we make business owners  
14 aware of other incentives that they're eligible for.  
15 We will help them with their applications, any  
16 assistance that they may need with it or any  
17 questions they have or connect them to the  
18 appropriate person to answer their questions.

19 CHAIRPERSON FARIÁS: Okay, and do you know  
20 what the average processing time is or how many  
21 businesses received ASTEP benefits last year?

22 DEPUTY COMMISSIONER CHAN: I'm sorry, I  
23 don't know. We're going to have to get back to you on  
24 that one. The Department of Small Business Services  
25 administers two of the incentives, the energy cost

2 savings program and the Lower Manhattan cost savings  
3 program.

4 CHAIRPERSON FARIÁS: Okay. So more  
5 broadly, why are incentives tied to capital  
6 improvements rather than retention, and I know that  
7 might be because you're not monitoring retention. Do  
8 you know why there's a direct tie to the capital  
9 improvements?

10 DEPUTY COMMISSIONER CHAN: I don't know  
11 because... I do know that most state and federal ones  
12 are tied to capital improvements. Our energy cost  
13 savings program is not only tied to renovations but  
14 also to relocation.

15 CHAIRPERSON FARIÁS: Okay, and have you  
16 folks considered developing programs specifically for  
17 equipment upgrades?

18 DEPUTY COMMISSIONER CHAN: I'm sorry?

19 CHAIRPERSON FARIÁS: Have you folks  
20 considered developing programs specifically for  
21 equipment upgrades for IBSPs or any of the  
22 businesses?

23 DEPUTY COMMISSIONER CHAN: We haven't, but  
24 I would look forward to if we had the opportunity to  
25 talking to Council about it.

2 CHAIRPERSON FARIÁS: And then how do you  
3 folks address the impact of the short-lived nature of  
4 some of these incentives and what steps are being  
5 taken to create maybe more predictable funding  
6 streams?

7 DEPUTY COMMISSIONER CHAN: So, our energy  
8 cost savings program and our Lower Manhattan cost  
9 savings program is actually a 12-year savings program  
10 and the businesses that qualify are eligible for 45  
11 percent cut on their electric and 35 percent on their  
12 gas. This is for 12 years. It tapers towards the end  
13 of, after year eight, I believe.

14 CHAIRPERSON FARIÁS: Okay. I'm going to  
15 pause for my Colleagues to ask some questions and get  
16 back into mine. I'll call on Council Member Vernikov  
17 first and followed by Council Member Avilés.

18 COUNCIL MEMBER VERNIKOV: Thank you, Madam  
19 Chairwoman. Good afternoon. My first question is, can  
20 you talk a little bit about the process when an IBSP  
21 identifies a business at risk of leaving the city?

22 DEPUTY COMMISSIONER CHAN: Hi. Thank you  
23 so much for the question. So, our industrial business  
24 service provider partners work closely with their  
25 small business clients to help assess every one of

2 their needs and understand how the City can help  
3 provide services to help them start, operate, and  
4 grow here in New York City, and they do that  
5 utilizing a suite of services that they offer on  
6 behalf of SBS.

7 COUNCIL MEMBER VERNIKOV: Okay, thank you.  
8 Can you talk a little bit about the BIDs? Do you  
9 think that the presence of BIDs has a positive impact  
10 on retaining businesses in the city and neighborhoods  
11 where they're located in particular?

12 DEPUTY COMMISSIONER CHAN: BIDs?

13 COUNCIL MEMBER VERNIKOV: Yes.

14 DEPUTY COMMISSIONER CHAN: Yes, we find  
15 our BIDs to be one of our really strong partners.  
16 Whenever there's new programming or feedback from the  
17 community, we have really good relationships with our  
18 BIDs and we're actually really proud to be able to  
19 say that there are regular meetings and feedback  
20 loops where we're actually learning about them as  
21 well as us being able to make them aware of new  
22 programs that are available.

23 COUNCIL MEMBER VERNIKOV: Okay, thank you.

24 Can you talk about what sort of surveys or other data

2 you've collected assessing interest in the  
3 manufacturing for women-owned businesses?

4 ASSISTANT COMMISSIONER LANE: Sure, thanks  
5 so much for the question. So, in addition to our  
6 industrial business service providers who work with  
7 industrial businesses every day in addition to the  
8 partnership we have with our sister agency DCP to  
9 collect information specifically about industrial  
10 business zones and industrial businesses and other  
11 stakeholders, SBS also has a program called WE NYC or  
12 Women Entrepreneurs NYC that specifically focuses on  
13 helping women entrepreneurs across all industries.

14 COUNCIL MEMBER VERNIKOV: Thank you.

15 CHAIRPERSON FARIÁS: Council Member  
16 Avilés.

17 COUNCIL MEMBER AVILÉS: Hello. Good  
18 afternoon. Thank you so much, Chair. Thank you for  
19 being here. Could you, you may have covered this  
20 already so apologies if it is a repeat, but in terms  
21 of the current distribution of IBSP funding, what's  
22 the breakdown per borough?

23 ASSISTANT COMMISSIONER LANE: Thanks for  
24 the question. The amount varies slightly by  
25 industrial provider based in part on the size of

2 their catchment areas, but I did mention earlier, we  
3 have three industrial business service providers in  
4 Brooklyn, three in Queens, one in the Bronx, one in  
5 Manhattan and one in Staten Island.

6 COUNCIL MEMBER AVILÉS: And do you have a  
7 sense of what the ranges are?

8 ASSISTANT COMMISSIONER LANE: Between  
9 130,000 and 170,000 per provider.

10 COUNCIL MEMBER AVILÉS: Okay. Great,  
11 that's very helpful.

12 In terms of the contracts with the RFPs,  
13 I guess I was curious about, why aren't the contracts  
14 including annual COLA increases like human service  
15 provider contracts and also if you could talk a  
16 little bit about how you calculate the costs  
17 associated with the services that are stipulated in  
18 the RFPs.

19 DEPUTY COMMISSIONER CHAN: Thank you very  
20 much for that question. I don't know if you were here  
21 earlier during our conversation, but for a number of  
22 years, we've had the pandemic as well as PEGs after  
23 that. What we've always done is we've protected our  
24 IBSP as well as our BSC contracts to maintain the  
25 funding levels. We wanted to make sure that they

2 continue to be able to provide our core services as  
3 well to be gateway to our other services for  
4 industrial businesses.

5 COUNCIL MEMBER AVILÉS: So you've tried to  
6 protect them and haven't been able to do the  
7 appropriate increases. Everything's increasing,  
8 right? The cost of salaries, the cost of goods and  
9 services, all of that, but you haven't been able to  
10 maintain that level.

11 DEPUTY COMMISSIONER CHAN: No, we actually  
12 have maintained the level for all of them. We  
13 protected them to ensure that the funding level  
14 remained the same.

15 COUNCIL MEMBER AVILÉS: I'm sorry, there's  
16 a little contradiction there. So, costs are all  
17 increasing..

18 DEPUTY COMMISSIONER CHAN: Yes.

19 COUNCIL MEMBER AVILÉS: But they've  
20 maintained the same level, which means that they are  
21 not increasing appropriately, right? It means that  
22 things are still more expensive. I understand you're  
23 trying to protect the core, but there is still a gap  
24 between increasing costs, right?

2 DEPUTY COMMISSIONER CHAN: Yes, and we can  
3 always do more. We could do more if we were able to  
4 get the funding. We really do appreciate the  
5 opportunity to speak to Council about that.

6 COUNCIL MEMBER AVILÉS: Yeah, and the  
7 Executive could increase that very easily. I  
8 represent a community in Southwest Brooklyn with one  
9 of the larger ISPs, and they've done incredible,  
10 incredible work, but what we see is they're  
11 underwater with the amount of work that they're  
12 expected to do and the changing needs and services so  
13 I really appreciate your attempt to protect the core,  
14 but if it's insufficient, it undermines the work that  
15 we are trying to move forward so thank you for that.

16 In terms of the questions around  
17 industrial businesses facing unaffordable rent  
18 increases, how do you support that in this work?

19 DEPUTY COMMISSIONER CHAN: Thank you much  
20 for that question. We have really just tried to  
21 support businesses by providing quality pro bono  
22 services such as our Commercial Lease Assistance  
23 Program, which is free representation, which actually  
24 will help a business negotiate with their landlord.



2 COUNCIL MEMBER AVILÉS: So pro bono legal  
3 services for a lease, but beyond that, does the City  
4 provide any other assistance around a lack of  
5 affordability?

6 ASSISTANT COMMISSIONER LANE: I would add,  
7 thanks for the question, many of our educational  
8 programming do focus on helping businesses adapt to  
9 current environment, whether it's adapting their  
10 business plans or business models, helping to bring  
11 in more revenue, understanding how to navigate a  
12 variety of factors, including covering the costs of  
13 running their businesses so we try and provide that  
14 comprehensive education across industries.

15 COUNCIL MEMBER AVILÉS: Are you keeping  
16 track of business displacement, industrial business  
17 displacement?

18 ASSISTANT COMMISSIONER LANE: I'm sorry?

19 COUNCIL MEMBER AVILÉS: Are you keeping  
20 track of displacement for industrial businesses? The  
21 rent is too high for everyone as industrial  
22 businesses. Are you keeping track of that movement  
23 and what our inventory looks like?

24 DEPUTY COMMISSIONER CHAN: Thank you very  
25 much for that question. No, we are not tracking that.

2 We look forward to hearing back from the survey and  
3 learning more about what's the challenges of the  
4 industrial businesses and how the industrial business  
5 plans can help.

6 COUNCIL MEMBER AVILÉS: Okay, I guess I'm  
7 good. Thank you, thank you so much.

8 CHAIRPERSON FARÍAS: Thank you, Council  
9 Member Avilés.

10 Just want to jump into a little bit of  
11 the questions around industrial business retention.  
12 The IBZ relocation tax credit is currently the main  
13 tax incentive specific to industrial businesses, but  
14 there are limited incentives for business retention,  
15 as we've mentioned. How many businesses use the IBZ  
16 relocation tax credit this Fiscal Year?

17 DEPUTY COMMISSIONER CHAN: Thank you very  
18 much for that question. SBS manages two incentives  
19 programs, the Energy Cost Savings Program and the  
20 Lower Manhattan Program. We're also going to have to  
21 get back to the answer for that one, the number.

22 CHAIRPERSON FARÍAS: Okay, and have you  
23 considered expanding the IBZ credit to cover  
24 retention as well for folks, just in the same vein of  
25

2 asking about where people are shifting to, moving out  
3 of, etc.?

4 DEPUTY COMMISSIONER CHAN: We would always  
5 welcome the opportunity to expand our incentives  
6 programs to actually assist businesses, and we will  
7 look forward to speaking to Council if the  
8 opportunity comes up.

9 CHAIRPERSON FARIÁS: Are there any other  
10 retention incentives you're developing?

11 DEPUTY COMMISSIONER CHAN: Currently, no.

12 CHAIRPERSON FARIÁS: No? Okay. How does  
13 SBS work together with the other agencies and EDC on  
14 any business retention efforts?

15 ASSISTANT COMMISSIONER LANE: Thanks for  
16 the question. One example of how we work closely with  
17 our sister agencies is through your industrial plan  
18 and working closely to help administer the survey, in  
19 part through extensive outreach through the  
20 industrial business service providers and our  
21 business solution centers, and we look forward to  
22 partnering with them to understand the inputs from  
23 the community in order to improve our services.

24

25

2 CHAIRPERSON FARIÁS: How have you folks  
3 done the outreach for the survey? What are the  
4 mechanisms that we've utilized so far?

5 ASSISTANT COMMISSIONER LANE: Sure, so all  
6 of the vendors that I just mentioned are responsible  
7 every day for being out and about in their  
8 communities and meeting with small businesses, and so  
9 on top of that, they've been tasked with really  
10 intentionally spreading the word both about the  
11 survey, but also about all of the free services that  
12 the City offers for small businesses so they'll do  
13 that face-to-face and canvassing on their streets,  
14 they'll do it digitally through emails or social  
15 media marketing, and other ways that they've found  
16 work successfully in their communities.

17 CHAIRPERSON FARIÁS: Okay, and what is the  
18 process when an IBSP identifies a business at risk of  
19 leaving the city?

20 ASSISTANT COMMISSIONER LANE: Thanks for  
21 the question. Similar to what I was mentioning  
22 earlier about our comprehensive assessment of each  
23 business that will meet with an Industrial Business  
24 Service Provider or Business Solution Centers, we've  
25 empowered these teams to assess their small business

2 clients where they are, what their needs are, and  
3 understand what services that the City provides would  
4 be helpful for them to help them either start,  
5 operate, or continue to grow within the city so  
6 whether that's our financing services, our access to  
7 business education, some of the incentives we've  
8 discussed, or other services offered by SBS or other  
9 agencies.

10 CHAIRPERSON FARIÁS: Okay, I mean, I,  
11 okay. I guess I'm just kind of, like one of the first  
12 thing that comes to mind a couple years ago where  
13 there was a more coordinated effort between the City,  
14 the Admin, and the State around some of the tax  
15 incentives around our staging and I'm forgetting the  
16 name for like our, like our film and TV media  
17 companies that are here, our studios and staging  
18 companies that are here, and us having to go back and  
19 forth to determine what incentives we could have to  
20 keep people here versus maybe some of the incentives  
21 that New Jersey had where people were, that was a  
22 driving factor to go over there. Are there more  
23 concrete examples of the process outside of maybe the  
24 initiatives, and I guess I'm just trying to get a  
25 more comprehensive view of how we are incentivizing

2 people to stay here and how early are we identifying  
3 the risk factor of them leaving and then how do we  
4 couple supports to make sure that they don't leave  
5 the city?

6 DEPUTY COMMISSIONER CHAN: Thank you very  
7 much for that question. As we've mentioned, SBS  
8 provides various services including our incentives  
9 consultations. We're in contact with our partners  
10 such as EDC and DOF about the incentives. We  
11 actually... (COUGHING)

12 CHAIRPERSON FARIÁS: You can take a  
13 second. We have time. No rush.

14 DEPUTY COMMISSIONER CHAN: Thank you. My  
15 apologies.

16 ASSISTANT COMMISSIONER LANE: I'll step in  
17 quickly. Thanks, Deputy Commissioner Chan. Just to  
18 clarify, SBS feels strongly about our role as  
19 educators to the small business community about both  
20 the incentives that are administered by SBS and about  
21 other agency's incentives but our role is not to  
22 administer all of the incentives so would certainly  
23 recommend speaking with DOF and some of the other  
24 agencies on some of those specifics, but we look  
25 forward to continuing really to promote the

2 incentives that are helpful for each individual  
3 businesses as they come to our service providers.

4 CHAIRPERSON FARÍAS: How do our industrial  
5 incentives compared to those offered by other places  
6 in the Northeast to the tri-state area? Do we have  
7 any data on businesses that have left the city but  
8 maybe stayed within the region?

9 ASSISTANT COMMISSIONER LANE: I believe  
10 our sister agencies and us as the Administration are  
11 tracking different trends across business starts and  
12 growths across the city. I will have to get back on  
13 the details of how we can drill down there.

14 CHAIRPERSON FARÍAS: Okay. I appreciate  
15 that and I look forward to seeing where some of that  
16 data is being tracked and following up with their  
17 respective agencies. How do IBSPs assist with  
18 permitting and regulatory compliance?

19 DEPUTY COMMISSIONER CHAN: Thank you very  
20 much for that question. The IBSPs are one of our  
21 gateways to our services so, if they're unable to  
22 answer their questions themselves, they would refer  
23 to our NYC Business Express Services team. We have  
24 our small business advocates as well as our  
25 compliance advisors. I'm very proud to say that

2 through the years they've actually saved small  
3 businesses tens of millions of dollars.

4 CHAIRPERSON FARIÁS: Are there any  
5 agencies that have presented bigger challenges in  
6 this process?

7 DEPUTY COMMISSIONER CHAN: In terms of  
8 regulations?

9 CHAIRPERSON FARIÁS: Permitting and  
10 regulatory compliance.

11 DEPUTY COMMISSIONER CHAN: Not that I'm  
12 aware of.

13 CHAIRPERSON FARIÁS: How are the IBSPs  
14 connecting businesses with the training resources?  
15 Are there any existing partnerships with local  
16 schools or training institutions that we know of that  
17 are successful, or could you answer on average how  
18 many industrial businesses receive workforce  
19 assistance from IBSPs each year?

20 DEPUTY COMMISSIONER CHAN: Thank you very  
21 much for that question. The IBSPs are able to refer  
22 to our Workforce One Centers. There are 18 Workforce  
23 One Centers. Five of them are dedicated to industrial  
24 businesses. They actually offer several, I believe  
25 five different apprentice and other training programs



2 to assist industrial businesses, I don't have the  
3 exact number, but we will get back to you with that.

4 CHAIRPERSON FARÍAS: Okay. Thank you. What  
5 lending partners do IBSPs work with, if any?

6 ASSISTANT COMMISSIONER LANE: Sure, thanks  
7 so much for the question. So, all of the IBSPs have  
8 deep relationships with a network of community  
9 lenders, and they have those relationships both  
10 individually and also through our platform called NYC  
11 Funds Finder, which connects businesses both directly  
12 to these small business lenders, but also gives them  
13 the opportunity to connect one-on-one with one of our  
14 industrial business service providers or business  
15 solution center staff to help them navigate the  
16 process of applying for a loan or a grant one-on-one  
17 for free during the process.

18 CHAIRPERSON FARÍAS: Okay, and how many of  
19 these industrial businesses receive outside financing  
20 each year, and do you happen to know the average loan  
21 size?

22 ASSISTANT COMMISSIONER LANE: Thanks for  
23 the question. Since the beginning of the  
24 Administration, the IBSPs have connected small

2 businesses to a little bit over 1,000 loans, almost  
3 170 million dollars.

4 CHAIRPERSON FARIÁS: Do we know the  
5 average loan size? Are you doing the math?

6 ASSISTANT COMMISSIONER LANE: Oh, yeah.

7 CHAIRPERSON FARIÁS: I was like I can  
8 divide those numbers, too. I'm just wondering if we..

9 ASSISTANT COMMISSIONER LANE: Or I could  
10 just get back to you on that.

11 CHAIRPERSON FARIÁS: It's okay, okay,  
12 thank you. I wasn't sure if you had a quick number in  
13 front of you. Appreciate that.

14 Just to kind of piggyback off of some of  
15 the questions that Council Member Avilés asked, as  
16 I'm sure you folks know, we are both a part and work  
17 with our industrial service providers quite  
18 frequently, especially she has a huge portion in her  
19 District that she represents. In terms of the IBSP  
20 contracts, how have they changed over the past years  
21 to reflect inflation and their increased workload?

22 DEPUTY COMMISSIONER CHAN: Thank you very  
23 much for that question. So, the amount for each  
24 contract has remained the same. What we've done is  
25 actually look to see how we could leverage technology

2 to make their workload easier. For example, the Fund  
3 Finder, SBS Connect, our small business hotline,  
4 utilizing Teams, the ability to provide some services  
5 virtually so I think that what we've done is, though  
6 the amount has remained the same, we've actually been  
7 able to service more businesses than ever.

8 CHAIRPERSON FARIÁS: Do you think that, I  
9 feel like my question is always like, I know we could  
10 do more with more money, but do you think that the  
11 way we're being able to service more people with the  
12 same amount, though the numbers have increased, it  
13 doesn't necessarily reflect always the type of  
14 services that individual businesses might need where  
15 the IBSPs have to step in and take on that effort  
16 more individualized versus like the agency-to-IBSP  
17 relationship? Do you think more money could be  
18 utilized towards, yes, the continual expansion of  
19 services to businesses, but just in a different way?

20 DEPUTY COMMISSIONER CHAN: Thank you very  
21 much for that question. Yes, money would always make  
22 a big difference, but I think what we've been able to  
23 do in the last couple of years, and we're actually  
24 currently doing, is actually taking a look at all of  
25 our programs across the board to make sure that we're

2 providing quality services, that we're being not only  
3 effective, but also efficient, with what we're doing.  
4 We want to make sure that we're not doing the same  
5 for the sake of doing the same, but actually making  
6 sure that what we're doing has an impact.

7 CHAIRPERSON FARIÁS: Sometimes I find that  
8 the municipality, right, both just City Hall  
9 generally, or our agencies are looking to depend  
10 deeply on our community connections, right? The IBSPs  
11 are those, the small businesses, the BIDs, the BIDs'  
12 executive directors, the merchant associations, all  
13 those folks are really our connections back to on the  
14 ground where we can't necessarily be every single  
15 day, but that doesn't necessarily mean that every  
16 offering that we give is taking the load off of the  
17 amount of one-on-one work they have to do, and I feel  
18 like in the non-profit world, and sometimes even in  
19 this world with IBSPs, we're asking for folks to  
20 really be the middle person between what the City  
21 cannot do for small businesses or industrial  
22 businesses on the ground, and so all that to say, the  
23 upcoming cycle is coming, and like last Fiscal Year,  
24 I was asking for an increase in this space. I'd love  
25 to continue talking about where we can push a little

2 bit harder on getting increases, because we do want  
3 to make sure all while we're doing strategic plans  
4 and all of your initiatives that are effective, maybe  
5 not necessarily are getting full expansions, but  
6 where there could be more investment made to ensure  
7 that we are formalizing or setting a good foundation  
8 for folks, we're doing that in partnership.

9 Just a couple more questions around this,  
10 and then I'd like to jump into a few around M/WBEs.  
11 Do we have a current timeline for IBSP contracts?

12 ASSISTANT COMMISSIONER LANE: We wanna be  
13 intentional about having some time to factor in  
14 responses from the surveys but are in progress of  
15 drafting the scopes and look forward to analyzing the  
16 results and thinking critically about how to  
17 integrate them.

18 CHAIRPERSON FARIÁS: Okay, and what's the  
19 payment schedule for IBSPs?

20 ASSISTANT COMMISSIONER LANE: In terms of  
21 how their contracts are invoiced?

22 CHAIRPERSON FARIÁS: Yes.

23 ASSISTANT COMMISSIONER LANE: The IBSP  
24 providers will invoice SBS, and SBS will pay the  
25 invoices upon receipt.

2 CHAIRPERSON FARIÁS: Do you guys monitor  
3 how many times contracts are paid on time versus  
4 delayed?

5 ASSISTANT COMMISSIONER LANE: We work  
6 closely with our teams internal to SBS and across the  
7 City to do the best that we can to manage the  
8 contracting process and ensure that our contracts are  
9 clearly articulated and providers are able to be paid  
10 for the work that they provide.

11 CHAIRPERSON FARIÁS: When I'm talking on  
12 timing, do you folks monitor when contracts are being  
13 paid out with a delay or are they regularly paid? I  
14 mean, the City is not so great at paying people on  
15 time so that's why I'm asking.

16 DEPUTY COMMISSIONER CHAN: Yes, we do. We  
17 have a very good relationship with our partners, and  
18 we're aware of when they reach challenges, and then  
19 we actually try to assist them as much as possible.

20 CHAIRPERSON FARIÁS: Okay. And then why  
21 hasn't SBS issued the multi-year RFP that was  
22 previously committed? The last three-year RFP was  
23 issued in 2016, and IBSPs have only been given one-  
24 year extensions since that expiration.

2 DEPUTY COMMISSIONER CHAN: Thank you very  
3 much for that question. At this point, what we'd like  
4 to do is actually wait to see the survey results and  
5 see if that possibly changes the scope of what we  
6 would be asking for in the RFP. We also have new  
7 leadership in terms of a new Commissioner, and one of  
8 the things that she's asked us to do is make sure  
9 that we're actually looking at all of the great  
10 changes that we've made in the way we work and see  
11 how it actually can impact the RFP. Again, just  
12 really quite proud of our Funds Finder, our hotline,  
13 SBS Connect, the way our teams are working together.

14 CHAIRPERSON FARIÁS: And this is a survey  
15 from my bill, correct, that came out last year?

16 DEPUTY COMMISSIONER CHAN: Yes.

17 CHAIRPERSON FARIÁS: So what happened  
18 before 2023 and the passage of my bill? What was the  
19 delay and why weren't any three-year RFPs issued?

20 DEPUTY COMMISSIONER CHAN: We didn't issue  
21 anything during the pandemic, and what we did was we  
22 tried to maintain the funding level. We protected  
23 them to ensure that they could remain the same.

2 CHAIRPERSON FARIÁS: Okay, so since  
3 roughly 2021, 2022, there just wasn't any movement,  
4 just a continuation of the same funding?

5 DEPUTY COMMISSIONER CHAN: Yes.

6 CHAIRPERSON FARIÁS: Okay. I'm sorry if  
7 you've already answered this, what percentage of IBSP  
8 funds go towards retaining industrial businesses  
9 versus expanding? Is the pot divided in any way like  
10 that?

11 DEPUTY COMMISSIONER CHAN: Thank you very  
12 much for the question. No, it's not.

13 CHAIRPERSON FARIÁS: Okay, and then have  
14 there been any thoughts around reviving the Mayor's  
15 Office of Industrial Businesses to create a  
16 centralized focal point incorporating New York City  
17 policy for business services?

18 DEPUTY COMMISSIONER CHAN: Thank you very  
19 much for that question. I'm going to have to get back  
20 to you on that.

21 CHAIRPERSON FARIÁS: Okay. And then just  
22 around M/WBE support, how are IBSPs supporting M/WBE  
23 -certified industrial businesses?

24 DEPUTY COMMISSIONER CHAN: IBSPs can  
25 actually provide assistance in helping to certify,



2 but again, they can actually refer to our Division of  
3 Economic and Financial Opportunity division directly  
4 in order to receive assistance with M/WBE  
5 certification. For M/WBEs in industrial area, we  
6 provide courses such as bond readiness as well as we  
7 have a ramp-up program to help businesses actually  
8 apply for contracting, and we have our APEX program,  
9 which actually helps to build capacity so that's one-  
10 on-one consultations with businesses.

11 CHAIRPERSON FARIÁS: Okay, and how many  
12 M/WBE industrial businesses received any assistance  
13 last year?

14 DEPUTY COMMISSIONER CHAN: I'm sorry?

15 CHAIRPERSON FARIÁS: How many of the M/WBE  
16 industrial businesses received services last year?

17 DEPUTY COMMISSIONER CHAN: We're going to  
18 have to get back to you on that. I do know that, I  
19 don't think it has a number of services, that there  
20 are about almost 4,000 industrial businesses that are  
21 certified as M/WBEs.

22 CHAIRPERSON FARIÁS: Okay, and then do you  
23 folks happen to know how many industrial M/WBEs  
24 participated in programs like Construct NYC?

2 DEPUTY COMMISSIONER CHAN: We're going to  
3 have to get back to you with that.

4 CHAIRPERSON FARIÁS: Okay. Okay, I don't  
5 have any additional questions. Thank you, folks, for  
6 coming in. We have a bunch of followup that we will  
7 send you in terms of the questions that we have  
8 outlined, and I'll check in with Council Members  
9 Avilés and Vernikov if they have any follow-ups, but  
10 thank you, this panel is now adjourned.

11 DEPUTY COMMISSIONER CHAN: Thank you very  
12 much.

13 CHAIRPERSON FARIÁS: I am now opening the  
14 hearing up for public testimony. I remind members of  
15 the public that this is a formal government  
16 proceeding and that decorum shall be observed at all  
17 times. As such, members of the public shall remain  
18 silent at all times.

19 The witness table is reserved for people  
20 who wish to testify. No video recording or  
21 photography is allowed from the witness table.  
22 Further, members of the public may not present audio  
23 or video recordings as testimony but may submit  
24 transcripts of such recordings to the Sergeant-at-  
25 Arms for inclusion in the hearing.

2           If you wish to speak at today's hearing,  
3 please fill out an appearance card with the Sergeant-  
4 at-Arms and wait to be recognized. When recognized,  
5 you will have two minutes to speak on today's hearing  
6 topic, Industrial Business Service Providers.

7           If you have a written statement or  
8 additional written testimony you wish to submit for  
9 the record, please provide a copy of that testimony  
10 to the Sergeant-at-Arms. You may also email written  
11 testimony to [testimony@council.nyc.gov](mailto:testimony@council.nyc.gov) within 72  
12 hours of this hearing. Audio and video recordings  
13 will not be accepted.

14           I will now call the first panel. That's  
15 Leah Archibald, Doug Young, and Lacey Tauber.

16           We've also been joined by Council Member  
17 Salamanca virtually.

18           When you're ready.

19           LACEY TAUBER: Okay. Hi, my name's Lacey  
20 Tauber. I'm here representing Brooklyn Borough  
21 President Antonio Reynoso, who represents six of the  
22 City's Industrial Business Zones. Manufacturing  
23 retention in the Borough and citywide is one of the  
24 Borough President's biggest priorities, and he thanks  
25 the Council for initiating the NYC Industrial Plan,

2 which, as you mentioned, is now underway. While we  
3 look forward to that report providing comprehensive  
4 and updated data, there's a lot we already know about  
5 why a thriving industrial sector is crucial for our  
6 city. Manufacturing generally provides living wages  
7 with low barriers to entry, creating quality job  
8 opportunities for those who may not be able to find  
9 them otherwise. These jobs have allowed generations  
10 of New Yorkers without advanced degrees, immigrants,  
11 and the formerly incarcerated, and others to stay and  
12 support their families in New York City.

13           But manufacturing isn't just the city's  
14 past. It can also be the city's future. Our office's  
15 comprehensive plan for Brooklyn calls on us to  
16 leverage the Borough's waterfront, industrial areas,  
17 and freight rail infrastructure to simultaneously  
18 shift the Borough toward a future with more green  
19 industrial jobs, fewer trucks on the road, and a  
20 forward-looking role in building the green economy.  
21 However, outside pressures continue to threaten our  
22 manufacturing zones. Rezoning changes have led to a 5  
23 percent decrease in land zoned for manufacturing  
24 since 2010, equivalent to a loss of 1,522 acres, or  
25 1,122 football fields. This has contributed to the

2 manufacturing vacancy rate, reaching levels as low as  
3 4.6 percent this year, compared to 12 percent for  
4 retail and 23 percent for office space. Manufacturing  
5 businesses have unique needs. For example, unlike  
6 retail and office, many industrial businesses cannot  
7 locate outside of M zones. Yet, in many of the IBZs,  
8 they are forced to compete for space with businesses  
9 that can, such as nightlife establishments,  
10 restaurants, galleries, and other non-industrial  
11 uses. You're going to hear from a bunch of the IBSPs,  
12 so I'm going to let them tell you about all the great  
13 services that they provide, and just say that Borough  
14 President Reynoso supports the Industrial Jobs  
15 Coalition budget ask for the next Fiscal Year, which  
16 includes a 50 percent increase in funding for the  
17 IBSPs, indexing this funding to inflation, and  
18 shifting the funding from a one-year to a three-year  
19 contract. This funding is a smart investment because  
20 they can leverage private funding sources, and a  
21 recent study found that for every 1 dollar spent on  
22 manufacturing, there's a total impact of \$2.68 to the  
23 overall economy, the highest of any economic sector.  
24 Thank you so much.

2 Thank you, and I'd also like to call up  
3 Osagie Afe to the panel.

4 LEAH ARCHIBALD: Hi, my name's Leah  
5 Archbald, and I'm the Executive Director of  
6 Evergreen, and we're the local development  
7 corporation that works with businesses in industrial  
8 North Brooklyn to help grow high-quality working-  
9 class jobs in our community, and I'm going to give  
10 you a testimony with all the great things we did last  
11 year and lots of information about our organization,  
12 and I just kind of want to distill it today into the  
13 following. Our organization and our sister and  
14 brother organizations around the city have had a  
15 long-time partnership with the City of New York.  
16 Since our organization's founding in 1982, we have  
17 partnered with the City to provide services to the  
18 local businesses. Our earliest services were focused  
19 on improving safety, then we moved to helping with  
20 incentive programs, and finally, we're doing a lot  
21 more direct service, helping businesses with  
22 financing, doing education. When New York City  
23 created the Industrial Business Zone program in 2006,  
24 we were awarded contracts to provide technical  
25 assistance in the newly created Greenpoint,

2 Williamsburg, and North Brooklyn IBZs. In 2008, we  
3 got our first funding from the City to purchase  
4 industrial real estate. We now own five buildings  
5 that we lease out to small manufacturers at below  
6 market rates. We would not have been able to do this  
7 without funding from the City. It's keystone funding  
8 for our organization, and it's really important. And  
9 the City benefits from this partnership as well.  
10 Unlike wholly owned subsidiaries, we're able to  
11 leverage the funding we get from the City with other  
12 sources. Because we're an independent 501(c)3 non-  
13 profit community organization, we get funding from  
14 lots of different sources, and so we're able to give  
15 the taxpayer a better bang for the buck with the  
16 funds that they give us. However, as you pointed out  
17 in your line of questioning earlier, costs continue  
18 to grow. I'll wrap up. Our funding's been  
19 significantly reduced since these programs were  
20 started. It's been stable for the past 10 years. We  
21 appreciate the fact that we were protected from a  
22 PEG. However, my staff salaries and rents and  
23 insurance, all those costs go up, and I have to pull  
24 from other sources to try and meet those needs so, in  
25 closing, getting a three-year contract would mean the

2 world to us. Right now, we're dealing with these one-  
3 year extenders, meaning for the work my staff did in  
4 July, I don't see money on that until February, March  
5 so because the contract has to get registered, and  
6 that's creating the delay. Once we're registered, we  
7 get our money routinely but it's a nine-month delay  
8 in getting funds. It's impossible to manage cash flow  
9 for a tiny organization with this amount of our  
10 keystone funding behind so we really appreciate the  
11 attention that you're paying here. I'm happy to  
12 answer any questions. And when I leave, I will be  
13 giving you testimony from some of our businesses that  
14 couldn't come, the Brooklyn Brewery, Martin  
15 Greenfield Clothiers, Wonton Foods, and Fine and Raw  
16 Chocolates. Thank you very much.

17 DOUG YOUNG: My name is Doug Young, and  
18 I'm one of the businesses that Evergreen helps had  
19 who could make it today. I represent a small business  
20 called LEERFORM Fabrication and Design. We're  
21 essentially a fabrication company. We've proudly  
22 operated in North Brooklyn since 2019 and currently  
23 employ roughly 30 individuals contributing to our  
24 local economy. I'm here today to emphasize how vital  
25 Evergreen has been to our success and to urge an



2 increase in funding for the IBSPs, programs citywide,  
3 and Evergreen specifically. Simply put, LEERFORM  
4 would not be here without this woman sitting right  
5 next to me. Evergreen has guided us through finding  
6 capital funding and securing legal counsel, resources  
7 essential for any small businesses. Evergreen has  
8 provided us, and other business leaders with crucial  
9 education, and financial, HR, and marketing literacy.  
10 When we needed a production facility, Evergreen not  
11 only helped us find one, but also became our  
12 landlords when we needed to expand our facility.  
13 They've been the lifeline we needed in moments of  
14 uncertainty, giving us the support to stay in  
15 business and grow. The challenges industrial  
16 businesses face in New York City, high costs, complex  
17 regulations, and finding affordable space can be  
18 overwhelming. Evergreen has been instrumental in  
19 helping us navigate these hurdles. Their work impacts  
20 not only businesses like ours, but the city's economy  
21 as a whole. Supporting organizations like Evergreen  
22 ensures this vital sector continues to thrive, and  
23 provide high-quality jobs for our communities. Thank  
24 you for your time, and I urge funding continues.

2 OSAGIE AFE: Thank you. Thanks for this  
3 opportunity. My name is Osagie Afe, and I'm the  
4 Senior Business Assistance Manager at Long Island  
5 City Partnership. I appreciate the opportunity to  
6 testify today on the role and importance of  
7 industrial business service providers. LICP serves as  
8 a neighborhood development organization for Long  
9 Island City. Our mission is to advocate for economic  
10 development that benefits LIC industrial, commercial,  
11 science, technology, cultural, tourism, and  
12 residential sectors. We aim to attract new  
13 businesses, retain those already here, engage  
14 residents and visitors, and promote a vibrant and  
15 authentic mixed-use community. We also operate the  
16 LIC Business Improvement District and Industrial  
17 Business Zone. The industrial sector, as you know, is  
18 critical to creating a more equitable city. As NYC's  
19 second largest private sector employer, industrial  
20 business provides middle-class jobs that serve as  
21 pathways to opportunity for a diverse workforce.  
22 These jobs pay, on average, nearly 20,000 more  
23 annually than retail positions, and almost twice as  
24 much as roles in the food and beverage industry.  
25 Notably, industrial businesses fosters economic

2 mobility, with 80 percent of workers being minorities  
3 and 50 percent being immigrants. We are pleased to  
4 see Council prioritizing the interests of industrial  
5 businesses. IBSPs are instrumental in supporting  
6 these businesses and keeping quality, high-paying  
7 jobs in New York City. This year, our team has  
8 provided, on a one-on-one basis, to businesses in  
9 LIC-catchment area a whole wide range of services,  
10 including financing, incentives, real estate,  
11 operational challenges, energy savings, and even  
12 more. We have helped, on a one-on-one basis, 77  
13 unique businesses, including 37 minority-owned and 40  
14 women-owned businesses, address and resolve their  
15 challenges. Despite this critical role, and this is  
16 very important, funding for IBSPs has remained static  
17 for over a decade. The lack of adjustment fails to  
18 account for inflation and the increasing  
19 responsibilities placed on IBSPs as they help  
20 increased number of businesses navigate complex and  
21 often challenging economic landscape. To ensure IBSPs  
22 can continue to serve industrial sectors effectively,  
23 we urge the City Council to include the following in  
24 next year's budget, increase IBSP by 50 percent to  
25 reflect inflation and grow demand for services; index

2 future funds to inflation to provide stability; and  
3 IBSP's contracts from one year, which is currently  
4 now to a three-year term, to allow for more long-term  
5 planning and stability. In over a decade LICP has  
6 held its IBSP contract, funding has not increased,  
7 even as our responsibility has expanded. With  
8 increased funding, we could add additional staff,  
9 expand our services, increase outreach to include  
10 even more businesses.

11 CHAIRPERSON FARIÁS: Thank you, folks, for  
12 testifying. This is for any of you to answer. I know  
13 we've spoken about this. I think now's the second  
14 fiscal year that we're trying to see where we can get  
15 increases. Can we talk a little bit more about why  
16 increasing the funds, what that allocation looks  
17 like, increasing it by 50 percent, whether that's the  
18 total pot or individualized pots, and outside of  
19 inflation and rent and insurance and things like  
20 that, what could the funds be utilized for?

21 LEAH ARCHIBALD: I can start. I have a  
22 really great staff. You guys have probably met some  
23 of them. I have essentially 0 percent staff turnover.  
24 Like, people start working for Evergreen and they  
25 never leave so I've got staff that have been, I've

2 been there for like 20 years. My lowest tenured staff  
3 member has been there for seven years, right, so most  
4 of my staff has been there for like 15, 10 years.

5 During this time, we've had no increase in the IBSP  
6 funding line. I could not have kept these people on  
7 staff today at their salaries from 10 and 15 years  
8 ago. They wouldn't be working for me, right? So, the  
9 money that's coming in from the City is the same, as  
10 Osagie points out, the deliverables are growing, but  
11 the needs of my team increase, right? So, in order to  
12 accommodate their increased salaries, and this is the  
13 big number, right? It's the people that do the work.

14 I've had to draw from other sources and we've been  
15 fortunate with our real estate is we get a little bit  
16 of, any profit from that I can pour into our  
17 operating organization so we're fortunate to be able  
18 to do that, but our rent has gone up, our insurance,  
19 everybody's insurance is up 40 percent, but most  
20 importantly, and the biggest number is my salaries  
21 have gone way up, but it's important to me to have  
22 really awesome staff, and so I simply just have to  
23 find the money to pay them so really, where would the  
24 money go? It would go to salaries. Really, very, very

2 predominantly, and then some of it to the increased  
3 overhead costs.

4 CHAIRPERSON FARIÁS: And can you talk a  
5 little bit about how the one-year versus three-year  
6 RFP or contracts have provided some level of  
7 challenge or instability?

8 LEAH ARCHIBALD: For me, it's really about  
9 managing the cash flow. You know, when we had those  
10 three-year contracts, like once you're in, once your  
11 contract's registered, you know, you submit, you get  
12 reimbursed, you submit, you get reimbursed. The big  
13 gulf is happening for us during contract  
14 registration, and so, as you know, you know, I've  
15 heard millions of City agencies come in here and talk  
16 about this, it takes a really long time for the City  
17 to register a contract, and, you know, when you're  
18 registering a three-year contract, you know, that's  
19 one thing, but we're registering a contract every  
20 single year with these extenders, and, you know, what  
21 it means, you know, the fiscal year, as you know,  
22 starts July 1, and my staff's doing the work from  
23 July 1 and serving the businesses, and we're accruing  
24 the expenses, and I'm paying out the salaries, but,  
25 you know, our contracts, like my contract for this

2 year isn't registered. It's probably not going to get  
3 registered until January, maybe February, which means  
4 we can't even submit for a reimbursement until  
5 thereafter. Now, the Fund for the City of New York  
6 has this loan fund that's meant to be a bridge for  
7 folks that are caught in this Kafka-esque (phonetic)  
8 crevice between, you know, getting your contract  
9 registered and seeing the money, but it really only,  
10 I can really only draw on that once, and I can really  
11 only draw on that for expenses I've already made, and  
12 I can only draw on it for salaries so, you know, all  
13 of the other, you know, the telephones and the other  
14 OTPS expenses, I can't pull from that. It's really  
15 just to reimburse me for a portion of the salaries  
16 that we've accrued so it's a band-aid. I'm glad that  
17 it's there. I really needed it, and the team turns it  
18 around really quickly. However, to have the  
19 predictability of a multi-year contract, frankly, it  
20 would just help us focus our activities at serving  
21 the businesses, and a little less, like, shaking out  
22 the couch cushions for money.

23 OSAGIE AFE: And I also would like to  
24 address your first point. I mean, I couldn't have  
25 said it as more articulately than Leah for the second

2 point with the extending contract. But in terms of  
3 the asking for increases with our contract, you know,  
4 just to reiterate, in the last decade LICP has had  
5 its contract, it hasn't increased, and this year we  
6 served 77 unique businesses, and that's just with  
7 just two staff. You know, so we're a little  
8 understaffed at the moment. Increasing funding would  
9 go to increasing salary, hiring new staff, you know,  
10 and also reaching out to more businesses. And I also  
11 just want to say that this is also an additional to,  
12 SBS has also exponentially, because we have  
13 performance metrics for what we have to deliver, and  
14 our performance metrics has increased, but our  
15 funding has remained constant.

16 CHAIRPERSON FARIÁS: Yeah. Okay, I think  
17 that's all the questions that I have. I'm sure more  
18 will come, and I will bother you folks later, but...

19 LEAH ARCHIBALD: You know where to find  
20 us.

21 OSAGIE AFE: Yes.

22 CHAIRPERSON FARIÁS: Actually, I have just  
23 one more rant. I think it's a little random for you  
24 guys, and I wish I would have asked the Admin, but



2 I'll follow up with them. Do you know the reasoning  
3 for three-year versus five-year versus eight-year?

4 LEAH ARCHIBALD: You know, I don't  
5 remember how this, and I've been doing this, like,  
6 I've been working on this since it was the  
7 (INAUDIBLE) contract, and it was at EDC, so I've got  
8 a pretty good, like, comprehensive understanding of  
9 the history. I don't know why they chose a three-year  
10 contract, but it was really helpful when they moved  
11 to that in 2006, you know, when the IBZs were  
12 created. It really did help with continuity, you  
13 know, for our organizations. I don't know why that  
14 number, probably there's some other heritage employee  
15 that could respond to that.

16 CHAIRPERSON FARÍAS: Yeah, I will  
17 definitely dig in, just because I'm, you know, again,  
18 in the framework of continuity, if we're doing  
19 strategic plans with X amount of years, maybe there  
20 could be some more longevity to some of these  
21 contracts that align with it, but I know now the  
22 strategic development plan is kind of the reasoning  
23 why we're not getting something a little bit longer,  
24 which I will work on, but I appreciate entertaining  
25 my last question. Thank you, folks, so much.

2 LEAH ARCHIBALD: Thank you so much for the  
3 attention. We really appreciate it, and so do our  
4 businesses.

5 CHAIRPERSON FARIÁS: Of course. We'll be  
6 talking about this for a while. Thanks, y'all.

7 OSAGIE AFE: Thank you.

8 CHAIRPERSON FARIÁS: This panel's now  
9 dismissed.

10 We're going to move to our virtual panel,  
11 and I'm being told we're sorting out some minor  
12 technical difficulties so we will be patient.

13 I'd like to call on Quincy Ely-Cates, or  
14 Cate, Brady Meixell, Ernie Wong, and then Christopher  
15 Leon Johnson so, Quincy, you can begin and unmute  
16 yourself.

17 QUINCY ELY-CATE: (INAUDIBLE)

18 CHAIRPERSON FARIÁS: Quincy, you are muted  
19 again, but you can unmute yourself.

20 QUINCY ELY-CATE: (INAUDIBLE)

21 CHAIRPERSON FARIÁS: Okay, I'm going to  
22 skip over to Brady. You can unmute yourself.

23 BRADY MEIXELL: Great, thank you so much.

24 Good afternoon, Chair Fariás and Members of the  
25 Committee on Economic Development. I'm Brady Meixell,

2 the Government Relations and Business Services  
3 Manager for the Southwest Brooklyn Industrial  
4 Development Corporation. We're a mission-driven non-  
5 profit that's been supporting industrial businesses  
6 and their workforce in Sunset Park, Red Hook, and  
7 Gowanus for over 40 years, and our work is possible  
8 due to the Industrial Business Service Provider  
9 contract. Industrial jobs are extremely important to  
10 our community, as they provide strong wages, low  
11 barriers to entry, and career pathways for those  
12 without college educations, and those for whom  
13 English is a second language. As an IBSP, our  
14 organization provides a wide range of free support  
15 services so that industrial firms can continue to do  
16 business in Brooklyn. We help businesses access  
17 financing, find new space to operate, navigate City  
18 agencies, and help register as M/WBEs and other  
19 things. We also play a critical role in connecting  
20 industrial manufacturing businesses to each other,  
21 and finally, we offer educational courses and  
22 workshops to businesses to help them grow their  
23 revenue and job offerings. In 2024 alone, SBIDC has  
24 worked with over 250 unique businesses. We had 73  
25 businesses take part in our workshops and trainings

2 this year. The IBSP contract is a vital source of  
3 funding, which allows our organization to continue to  
4 operate, but we also leverage it alongside other  
5 sources, providing significant return on the City's  
6 investment in us. However, year after year, it  
7 becomes more difficult to continue to maintain our  
8 staffing and provide these free services, while the  
9 IBSP contract we rely on has remained static and not  
10 adjusted for inflation. Given the crucial challenges  
11 ahead of us transitioning to a green economy, rising  
12 costs, and ultimate headwinds of gentrification, our  
13 industrial jobs are more important than ever. We ask  
14 the Committee and City Council to ensure that our  
15 organizations can continue to offer these important  
16 services by including three items in relation to  
17 IBSPs in next year's City budget: a 50 percent  
18 increase in IBSP funding, indexing the funding to  
19 inflation, and shifting the funding from a one to a  
20 three-year contract. Thank you for your time today,  
21 and thank you for your continued efforts to ensure  
22 quality jobs and equitable economic growth across New  
23 York City and for your focus on the industrial sector  
24 as shown by scheduling this hearing to begin with. We  
25 greatly appreciate it.

2 CHAIRPERSON FARIÁS: Thank you, Brady. I  
3 will always take compliments.

4 I'll now call on Ernie Wong. You can  
5 unmute yourself.

6 ERNIE WONG: Hi, everyone. Do you hear me?

7 CHAIRPERSON FARIÁS: Yes, we can hear you.

8 ERNIE WONG: Hi, my name is Ernie Wong.  
9 I'm the owner of Shanghai MKS, a company located at  
10 78 Gerry Street, Brooklyn, New York, 11206. We  
11 design, build, and service, maintain mobile food  
12 trucks and trailers for New York City, greater New  
13 York area, and beyond. We've been located in the  
14 North Brooklyn area since 1992, and we currently  
15 employ seven employees. I am testifying today in  
16 support of increasing funding for the Industrial  
17 Business Service Providers Program citywide. We want  
18 to be sure that our IBSP, Evergreen Exchange, has the  
19 resources it needs to be able to assist small  
20 businesses so our community can thrive. I have been a  
21 member of Evergreen since 2008. I currently sit on  
22 the Board. I sit on the Board since 2011, and I  
23 became Board Secretary in 2022. My business has been  
24 involved with Evergreen since 2006. They helped us in  
25 many, many, many ways, especially in the advocacy

1 perspective. We were involved in the Broadway  
2 Triangle. I call it my crisis, but we came through it  
3 so they also helped us with guidance, education, and  
4 fund securement. Evergreen was able to assist our  
5 business with much-needed advocacy at that time.  
6 Evergreen was also a central part of the business's  
7 existence, development, and growth. Many more  
8 industrial businesses like ours need their help. They  
9 face a plethora of challenges in New York City, such  
10 as regulatory issues and navigation, human resource  
11 development and training, capital borrowing and  
12 securement, employee and transportation logistics,  
13 and many more. They were able to help us and many  
14 more businesses address these and other challenges.  
15 Organizations like Evergreen provide services and  
16 impact well beyond the funding they receive,  
17 including in serving as a connector between  
18 industrial businesses and City agencies and  
19 policymakers. Protecting and promoting our industrial  
20 service sector, industrial sector is crucial to the  
21 city's overall economic development. The sector  
22 provides close to 500,000 jobs in New York City,  
23 making up nearly 15 percent of city workforce and  
24 contributes 1.7 billion tax revenues. The  
25

2 manufacturing industrial sector is not only a strong  
3 component of our economy, but a reliable source of  
4 jobs for many of our fellow New Yorkers. Without the  
5 support of our organizations like Evergreen, it would  
6 be much more difficult for businesses like mine to  
7 operate in New York City and supply high-quality,  
8 high-paying, working-class jobs for our neighbors.  
9 Thank you for your time, consideration, holding this  
10 panel. I urge this Committee and the Council to help  
11 ensure our IBSPs have the funding and support they  
12 need to continue their work. Thank you again. Thank  
13 you for your time.

14 CHAIRPERSON FARIÁS: Thank you so much for  
15 your testimony.

16 I'd now like to call on Christopher Leon  
17 Johnson.

18 CHRISTOPHER LEON JOHNSON: Can you hear  
19 me?

20 CHAIRPERSON FARIÁS: Yes, I can hear you.

21 CHRISTOPHER LEON JOHNSON: Hi, good  
22 afternoon, Chair Fariás. My name is Christopher Leon  
23 Johnson. Thank you for having us here, Fariás. I hope  
24 you become the Speaker over Julie Menin in 2026. I  
25 know what's going on here with Julie Menin.

2 CHAIRPERSON FARIÁS: Stay on topic, Mr.  
3 Johnson.

4 CHRISTOPHER LEON JOHNSON: I'm staying on  
5 topic, I'm staying on topic, I'm staying on topic.  
6 So, back to the topic at hand about IBZs. We do need  
7 them in the City of New York. We do really need them.  
8 I live near, not near it, but I live around, almost  
9 near it, like east New York, like Boardwalk,  
10 Brownsville, Carroll Heights, but the City Council,  
11 and I hope that you as a Chair, money brings  
12 attention very soon or next year, 2025 or '26, that  
13 we need to make sure that certain organizations that  
14 are hell-bent on putting bike lanes, open spaces,  
15 delivery chargers, and e-bike charging stations are  
16 not allowed to open shop in those areas. But just  
17 recently, like in the newspaper, people found out  
18 about Long Island City, that they was trying to put a  
19 bike lane inside Long Island City in (INAUDIBLE),  
20 which is home to a big time industrial area. We need  
21 to put more legislation in the City Council to  
22 prevent bike lanes and any bike structures to be into  
23 the IBZ zone, because what's going on is that people  
24 were having McGuinness Boulevard, which is in the  
25 District of Lincoln Restler, that they put a bike



2 lane on McGuinness Boulevard, which is around the  
3 industrial area in Greenpoint, which is going to  
4 completely, very soon, move away a big time movie  
5 studio that does Law and Order, but if we don't  
6 protect the IBZs by preventing bike lanes and  
7 delivery charging stations and all this type of  
8 unnecessary initiatives into being in these zones,  
9 these zones are going to be slowly eliminated, and I  
10 hope that these various organizations that I was so  
11 busy doing other panels all over the city, I'm back  
12 here in my house, testifying right now, that they  
13 start advocating against these organizations like  
14 Transportation Alternatives and...

15 SERGEANT-AT-ARMS: Your time has expired.

16 CHRISTOPHER LEON JOHNSON: And (INAUDIBLE)  
17 to make sure that they don't open shop in their  
18 areas, because once that happens, they're out of  
19 business so thank you, Chair. I gotta go. Enjoy your  
20 day.

21 CHAIRPERSON FARIÁS: Thank you so much,  
22 Mr. Johnson.

23 I'd now like to call on Quincy Ely-Cate.

24 SERGEANT-AT-ARMS: You may begin.

2 QUINCY ELY-CATE: Okay. So sorry about  
3 that. I was in the middle of a loan committee for one  
4 of our IBSP clients, trying to get them financing to  
5 work on an upcoming project. So good afternoon,  
6 Council Member Fariás and the Economic Development  
7 Committee. My name is Quincy Ely-Cate, and I'm  
8 Director of Industrial Business Development at the  
9 Business Outreach Center, BOC Network. We're a non-  
10 profit economic development organization that proudly  
11 supports industrial and manufacturing businesses and  
12 jobs across Central Queens, East Brooklyn, and the  
13 Bronx. Through a partnership with New York City Small  
14 Business Services, we provide IBSP services.  
15 Industrial manufacturing businesses have been a  
16 critical support for generations for the communities  
17 we serve. Industrial businesses provide higher wages,  
18 low barriers to entry, and opportunities for career  
19 growth for people in communities who have  
20 historically faced limited prospects for employment.  
21 In order to support industrial businesses, we focus  
22 assistance in helping businesses navigate government,  
23 access capital, access incentives, recruit employees,  
24 and train employees. In addition to providing quality  
25 jobs in local communities, the industrial sector is

2 also one of the most critical avenues for  
3 entrepreneurship opportunities for minorities, women,  
4 and immigrants in New York City. Whether in  
5 construction, food manufacturing, transportation,  
6 wholesale, and distribution, the industrial sector is  
7 important to providing opportunities to entrepreneurs  
8 in underserved communities. To support these  
9 entrepreneurs, we help businesses certify as M/WBE,  
10 access low-cost capital, start a business, purchase  
11 equipment, hire employees, and provide working  
12 capital for contract opportunities. In addition to  
13 our direct IBSP services, we have leveraged funding  
14 to support additional programs such as our BOC-led  
15 ConstructNYC program, our Bronx-based ASCEND program,  
16 our Growing Green program, and Wind Connection  
17 program. However, with additional funding, we could  
18 be able to provide more in-depth services to the  
19 industrial businesses we serve and ultimately retain  
20 and grow the industrial sector in New York City. So,  
21 I thank you for the time and reviewing this.  
22 Industrial businesses are critical to New York City,  
23 and your intention to supporting them is greatly  
24 appreciated. Thank you very much.

2 CHAIRPERSON FARIÁS: Thank you for your  
3 testimony.

4 Seeing no one else signed up virtually or  
5 no one else signed up in person, I just want to say I  
6 appreciate everyone who showed up today to testify  
7 and that continue to engage my office and the Council  
8 on servicing industrial business service providers,  
9 but also just making sure that the spaces in our  
10 communities are not forgotten and can receive  
11 continual investment.

12 So, with that, I look forward to future  
13 conversations, and this hearing is now adjourned.

14 [GAVEL]

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C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date December 18, 2024