

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON SMALL BUSINESS

Jointly with

COMMITTEE ON ECONOMIC
DEVELOPMENT

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January 30, 2025
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HELD AT: Committee Room - City Hall

B E F O R E: Oswald J. Feliz
Chairperson

Amanda Farías
Chairperson

COUNCIL MEMBERS:

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Selvena N. Brooks-Powers
Shekar Krishnan
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A P P E A R A N C E S (CONTINUED)

Dynishal Gross
Small Business Services Commissioner

Haris Khan
Small Business Services Acting Chief of Staff

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Reform

Lisa Sorin
President of Bronx Chamber of Commerce

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Lindsey Vigoda
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Andrew Rigie
NYC Hospitality Alliance

Robert Bookman
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A P P E A R A N C E S (CONTINUED)

Norine Medas
Canarsie Merchant Association

Ahyoung Kim
Asian American Federation

Andrea Tan
Volunteers of Legal Service

Christopher Leon Johnson

Carina Kaufman-Gutierrez
Street Vendor Project

2 SERGEANT AT ARMS: Good afternoon and
3 welcome to today's New York City Council hearing from
4 the Committee on Small Business jointly with the
5 Committee on Economic Development. At this time, I'd
6 like to remind everyone to please silence their
7 electronic devices and at no point is anyone to
8 approach the dais, unless invited to testify. If
9 you'd like to testify or have any questions, please
10 see the Sergeant at Arms at the desk in the back.
11 Chairs, we are ready to begin.

12 CHAIRPERSON FELIZ: Thank you. Good
13 afternoon. This hearing is called to order. [gavel]
14 Good afternoon, everyone. I'm Council Member Oswald
15 Feliz, Chair of the Committee on Small Business.
16 Thank you for joining us today on our joint hearing
17 between the Committee on Small Business and the
18 Committee on Economic Development to examine the
19 legal and regulatory challenges affecting small
20 businesses. I'd like to begin by thanking my Co-
21 chair, Majority Leader Amanda Fariás. I'd also like
22 to thank representatives from the Administration.
23 Great to see you, Commissioner and team and my
24 council colleagues who have joined us today including
25 Council Member Mercedes Narcisse and many who are--

2 others who are in the Fire and Emergency Management
3 Committee currently, but will be joining us in a few
4 minutes. Small businesses are essential parts of our
5 daily lives, and they contribute to the uniqueness of
6 our neighborhoods. Small business owners are
7 innovative and passionate and excited to bring their
8 vision and talent to our community. New York City is
9 vibrant for many reasons, including because of the
10 hard work of our small business owners who work
11 tirelessly to create local jobs and bring-- build
12 strong, attractive, and thriving communities. I see
13 this every day as representative of District 15 which
14 covers areas including Fordham Road which is the
15 busiest commercial corridor in the Bronx, and one of
16 the busiest in the entire city, but also Arthur
17 Avenue/Little Italy which is another top tourist
18 destination in our city. But it can be a struggle to
19 start and maintain a small business in our city. For
20 some business owners, the difficulty lies in
21 navigating and complying with regulations from
22 numerous city agencies. Although the regulation of
23 products and services sold are necessary to keep
24 consumers and worker safe, this council has worked
25 hard to reform unnecessary, burdensome restrictions

2 and penalties. Local Law 80 and Local Law 151 both
3 stand as models for effectively reducing regulatory
4 burdens and compliance costs without compromising the
5 protections of consumers, workers, and of course,
6 communities. Small business owners often require
7 legal assistance on many issues, including to
8 understand their obligations to the city, understand
9 contracts they enter into between other stakeholders,
10 and of course to assert their rights as tenants. To
11 this end, the Department Small Business Services
12 through their Commercial Lease Assistance Program
13 provides free legal assistance for small business
14 owners dealing with commercial lease issues. Local
15 Law 90 of 2020 also requires a report on these
16 services and empowers SBS to in some cases provide
17 legal representation in court for small business
18 tenants in certain situations. For the safety and
19 wellbeing of New Yorkers, it remains important to
20 ensure that business owners are fully-informed of the
21 laws and regulations they must comply with, and the
22 City must continue to educate and empower these small
23 business owners so we can preserve our mom and pop
24 shops and preserve the fabric of thriving
25 neighborhoods in every borough. We look forward to

2 hearing from SBS about the work to provide legal
3 assistance and regulatory compliance support to small
4 businesses and about how the City Council can further
5 that work so our small businesses can continue to
6 thrive. With that goal in mind, the Committee on
7 Small Business will hear three bills today. The
8 first is my bill which requires that SBS report on
9 the different types of violations issued to
10 businesses, report on different types of violations
11 so then we can know the specific challenges affecting
12 the many different commercial corridors on our city.
13 The legislation also requires that the SBS conduct
14 education and training to ensure that we as a city
15 are helping these small businesses with the specific
16 challenges that they're facing. These measures would
17 enhance transparency and fairness in regulatory
18 enforcement and support services from the City so
19 that all of our small businesses can receive tailored
20 support and avoid unnecessary, burdensome penalties.
21 That's the first bill. The second bill is Intro 449
22 sponsored by Council Member Althea Stevens which
23 requires SBS to establish and maintain a commercial
24 landlord watch list, specifically focused on the
25 harassment of commercial tenants. Finally, the third

2 bill is Intro 1082 by Council Member Mercedes
3 Narcisse which will require SBS to conduct a study on
4 the many costs and fees related to opening and
5 maintaining a small business. I'm grateful to
6 Council Member Stevens and Narcisse for introducing
7 these bills and focusing on the needs of our small
8 businesses, and we look forward to hearing from the
9 Administration on these bills. I would like to
10 thank Jessica Boulet and Rebecca Barilla [sp?] from
11 Central Staff for their work putting this hearing
12 together, as well as my own team, my Chief of Staff,
13 Esperanza Diaz [sp?], Deputy Chief of Staff,
14 Guillermo Rodriguez, Budget Director, Santiago Bayna
15 [sp?], and of course, our Nicole from my team who
16 has also joined us. And I would like to recognize
17 Council Members who have joined us including our
18 Majority Leader Amanda Farías, Council Member
19 Mercedes Narcisse, and Council Member Rafael
20 Salamanca. I will now turn it over to my Co-Chair,
21 Majority Leader Amanda Farías, for her opening
22 statement.

23 CHAIRPERSON FARÍAS: Good afternoon and
24 thank you Chair Feliz. My name is Amanda Farías and I
25 have the privilege of chairing the Committee on

2 Economic Development. I would first like to thank my
3 Co-chair for holding this hearing today as well as
4 the members of our committees, the Administration,
5 and various interested priorities for joining us to
6 discuss the legal and regulatory challenges facing
7 New York City small businesses. Our city's local
8 businesses are not just economic entities. They are
9 lifelines that bring vitality and character to our
10 neighborhoods. Bodegas, hair salons, restaurants,
11 hardware stores, independent clothing shops, and
12 housewares stores create the social and economic
13 fabric of our communities. These businesses fuel
14 local economies by providing jobs to residents
15 circulating wealth and fostering an environment of
16 shared growth. They offer safe spaces for community
17 members to gather, creating joy and strengthening
18 social bonds. When our small businesses thrive, they
19 directly contribute to the growth and stability of
20 neighborhoods, making New York City's boroughs
21 stronger and more vibrant. As an elected official I
22 have the unique opportunity to engage with business
23 owners in my district daily. These interactions help
24 me understand the hopes, concerns, and challenges
25 they face. Small businesses are the backbone of our

2 local economy, but they face growing hurdles due to
3 over-regulation, rising rents, and intense
4 competition from larger corporations. While
5 regulations are necessary to ensure safety and
6 fairness, excessive red tape can stifle innovation
7 and put unnecessary strain on small businesses,
8 making it harder for them to thrive. This hearing
9 will focus on how we can streamline processes and
10 reduce regulatory burdens to give small businesses
11 the breathing room they need to succeed and grow
12 their economic contributions. I'm particularly
13 interested in hearing from the Administration about
14 how existing programs designed to support small
15 businesses are reaching immigrant-run shops. Many of
16 these businesses are at the heart of our communities
17 but often face additional challenges due to language
18 barriers, legal complexities or lack of access to
19 support services. Ensuring that immigrant-owned
20 businesses which are vital to the cultural and
21 economic diversity of our city have the tools to
22 succeed is crucial for our collective prosperity. By
23 reducing unnecessary regulatory constraints and
24 improving outreach, we can help ensure that all local
25 businesses, especially those run by marginalized and

2 hard-to-reach communities thrive in an equitable
3 economic landscape. Lastly, I want to address the
4 concerning number of vacant storefronts across our
5 city. Each empty space represents not just lost
6 revenue, but lost potential for job creation,
7 community interaction, and neighborhood vitality.
8 These vacancies hold back entire communities. Today,
9 we will also explore what can be done to bring
10 businesses back into these spaces and restore the
11 vibrancy that vacant properties strip away from our
12 communities. Reducing regulatory obstacles is key to
13 ensuring that new businesses can open and existing
14 ones can expand, further contributing to the economic
15 and social health of our city. Before I turn the
16 microphone back over to Chair Feliz, I would like to
17 take a moment to acknowledge the Economic
18 Development Committee staff, Senior Counsel Alex
19 Paulenoff, Senior Policy Analyst, William Hongach
20 [sp?], and Finance Analyst, Glenn Martelloni [sp?]
21 for their hard work in preparing for this hearing.
22 We look forward to hearing from today's participants
23 and having a constructive conversation on how we can
24 best support our city's small businesses, empowering
25 them to continue being cornerstones of economic
vitality and

2 community life. I will now turn the mic back over to
3 Chair Feliz.

4 CHAIRPERSON FELIZ: Thank you so much,
5 Majority Leader. I would like to turn it now to
6 Council Member Mercedes Narcisse who has her Intro
7 449 before this committee today, 1082.

8 COUNCIL MEMBER NARCISSE: good afternoon
9 everyone. Thank you, Chair Feliz and my colleagues
10 and Commissioner and your leadership, thank you. And
11 I would be remiss not to acknowledge my Canarsi folks
12 for Merchant Association. Canarsi Merchant
13 Association Noreen Miras [sp?] that been working very
14 hard with me, and of course, the President of Chamber
15 I see in the room that I'm always bothering to help
16 me to shape my community. As a former small business
17 owner I know firsthand how overwhelming the fees and
18 the cost can be when you're trying to start and
19 sustain a small business in New York City. From
20 permitting and licensing to insurance and trash
21 removal, these expenses add up very quickly and can
22 be a major obstacle for many aspiring entrepreneurs.
23 We constantly encourage our communities to support
24 small businesses, and we call it small businesses are
25 the backbone of our communities, but yet, the

2 backbone-- we need some bone marrow to infuse in
3 there, but that's a medical technique, but we can get
4 to it if you don't get it. We must also do our part
5 as a city to support all small businesses that
6 starting. It makes it more easier and more
7 affordable, and when you starting a small business,
8 as difficult as it is, you think you're alone, and
9 that we need small businesses to thrive in our
10 community. So, Intro 1082 calls for a comprehensive
11 study to examine the regulatory legal and operational
12 costs that burden small businesses, with a focus on
13 MWBEs and businesses in transit-poor areas. One of
14 the things for MWBEs, I know it been very fragmented
15 in some extent, because you said yes you can be
16 MWBEs, but the process-- I have been there. So, I
17 can-- I'm talking from experience. The fighting will
18 help our body craft solutions that can reduce those
19 barriers and promote entrepreneurship across our
20 city. I urge my colleagues to support this bill, as
21 it will take a critical step toward empowering our
22 small business community. So, I thank you in advance
23 and thank you, and I'm looking forward. I heard there
24 is some-- we will have conversation, Commissioner,
25 and I'm ready for this conversation, because I really

2 would like to see more entrepreneurs stay in
3 business. We know the first five years is very
4 difficult, but if you can get the support, if you
5 have a good plan in place, I think we should be more
6 supportive of our entrepreneurship in our community.
7 So, thank you, Chair. Thank you, my colleagues.

8 CHAIRPERSON FELIZ: Thank you so much,
9 and by the way, you just heard from a former small
10 business owner, right?

11 COUNCIL MEMBER NARCISSE: [inaudible]

12 CHAIRPERSON FELIZ: Thank you. I'll now
13 turn it over to the Committee Counsel to administer
14 the oath before we hear from the mayoral
15 administration.

16 COMMITTEE COUNSEL: Thank you, Chair.
17 Good afternoon everyone. Welcome. My name's Jessica
18 Boule. I'm Committee Counsel for the Committee on
19 Small Business. Today we will hear testimony from
20 the Department of Small Business Services. Joining
21 us as panelists we have Dynishal Gross, Commissioner
22 for Small Business Services, Haris Khan, and Natasha-
23 - oh, sorry-- Acting Chief of Staff, and Natasha
24 Joseph, Assistant Commissioner. Thank you all. If
25 you could raise your right hands? Do you affirm to

2 tell the truth, the whole truth and nothing but the
3 truth before this committee and to respond honestly
4 to Council Member questions?

5 UNIDENTIFIED: I do.

6 UNIDENTIFIED: I do.

7 COMMITTEE COUNSEL: Thank you. Please
8 begin when you're ready.

9 COMMISSIONER GROSS: Thank you so much.
10 Good afternoon, Chair Feliz, Chair Fariás, and
11 members of the Committees on Small Business and
12 Economic Development, and all assembled here today.
13 My name is Dynishal Gross. I'm proud to be the
14 Commissioner of the City's Department of Small
15 Business Services. I am joined here today by Haris
16 Khan, my Acting Chief of Staff, and Natasha Joseph,
17 Assistant Commissioner for Government Navigation and
18 Regulatory Reform. We are very pleased to be here
19 today to discuss the ways that SBS supports small
20 businesses that are navigating legal and regulatory
21 challenges and the bills before us. Nearly five years
22 ago, our city faced one of its most difficult
23 periods. A global pandemic and ensuing economic
24 crisis resulted in the loss of thousands of small
25 businesses and nearly 23 percent of New York City's

2 private jobs in the span of just a couple of months.
3 Businesses are integral to every aspect of city life.
4 They contribute to the economy through taxes. They
5 contribute to the social safety net. They provide
6 goods and services. They create jobs that foster
7 economic mobility, and they enhance neighborhood
8 vibrancy and public safety. The presence of
9 successful operating businesses strengthens community
10 wellbeing and resilience. At the start of 2022, the
11 Adams Administration responded to the post-pandemic
12 impact on small businesses by producing a robust
13 Blueprint for Economic Recovery which included
14 historic investments, support for our commercial
15 corridors and the launch of new programs aimed at
16 expanding access to low-cost capital for small
17 businesses. One such program, the New York City
18 Small Business Opportunity Fund, awarded more than
19 \$85 million in capital to over 1,000 small businesses
20 citywide. Our Commercial Lease Assistance Program
21 which was launched in 2018 was baselined under the
22 Adams Administration. Commercial Lease Assistance
23 was critical during the pandemic in helping
24 businesses negotiate leases and repayment plans for
25 those struggling to meet their commercial rent

2 obligations. The pandemic also prompted a critical
3 reassessment of how city government itself can become
4 a barrier to entrepreneurship and economic growth.

5 Within his first week in office, Mayor Adams signed
6 Executive Order Two, also known as Small Business
7 Forward. This order charged the city's regulatory
8 agencies with reviewing their most common violations
9 and identifying reforms to reduce the regulatory
10 burden on small businesses. Through this effort, the
11 Adams Administration identified over 100 reforms to
12 reduce fine schedules, create cure periods, and issue
13 warnings to first-time violators not endangering
14 public health or safety, saving small businesses more
15 than \$8 million per year. These savings would not
16 have been possible without the support of this City
17 Council through the passage of Local Law 151 of 2023.

18 Through Executive Order 15, Mayor Adams also launched
19 the Small Business Advisory Commission, or SBAC.

20 This advisory council composed of small business
21 leaders and community stakeholders from across the
22 five boroughs is tasked with proposing further
23 opportunities to cut red tape and improve business
24 services. SBAC has successfully advocated for
25 changes to the administrative rule-making process,

2 informed enhancements to SBS' outreach strategy, and
3 its members regularly give the administration input
4 concerning upcoming city, state and federal policies.

5 Also, in 2022, SBS launched the New York City

6 Business Express Service Team, known as NYC BEST, to

7 work one-on-one with small business owners to help

8 them get their licenses and permits faster,

9 understand regulatory requirements and avoid fines

10 and fees. The NYC BEST team has already helped small

11 businesses save \$42 million since the start of the

12 administration. Despite tremendous progress, we know

13 that many small businesses continue to struggle and

14 need our support. While the City has seen four

15 consecutive quarters of declining storefront

16 vacancies, small businesses of the Central Business

17 District of Manhattan and parts of downtown Brooklyn

18 still experience high turnover and persistent

19 vacancies. That's why we are committed to finding

20 ways to reduce burdens on small businesses. Since

21 becoming SBS Commissioner, I've made it a priority to

22 visit as many council districts as possible and hear

23 directly from business owners, community leaders, and

24 our local elected officials about evolving corridor-

25 specific or community-specific challenges. I look

2 forward to continuing our collaboration to support
3 small businesses and advance reforms that will create
4 a more supportive environment for small businesses
5 across the city. We know that there are three bills
6 of interest for today's hearing that seek to address
7 small business challenges. Intro 449 calls for the
8 creation of a commercial landlord watch list based on
9 tenant harassment cases, building violations,
10 evictions, and SBS Commissioner discretion. However,
11 our analysis of commercial tenant harassment cases
12 filed under the existing law identified fewer than 30
13 cases that have been heard by New York's Supreme
14 Court of which only a small number have resulted in a
15 finding of harassment as alleged by the plaintiff,
16 the tenant plaintiffs in the case. This indicates
17 that there may be insufficient data to support the
18 creation of an annual watch list. We looked at a
19 period going back to 2016. Additionally, building
20 violations may be difficult to interpret as business
21 owners or property owners may be at-fault for these
22 types of violations. Additionally, as a non-
23 regulatory and non-enforcement agency, the proposed
24 bill conflicts with some of our primary strategies
25 and ongoing programs and initiatives, including the

2 role we play in forming and being part of the
3 oversight of the City's 76 business improvement
4 districts of which the majority of the boards are
5 property owners. We welcome further conversation
6 with the bill sponsors to find other ways of
7 addressing commercial tenant harassment. Intro 1082
8 calls for a study of the cost associated with opening
9 and maintaining a small business. Our department is
10 committed to reducing small business costs by helping
11 entrepreneurs navigate the City's regulatory
12 landscape, managing start-up expenses, identifying
13 potential savings through programs like the NYC BEST
14 team, the Commercial Lease Assistance Program, the My
15 City Business Portal, our Business Incentives
16 Estimator, and our financing assistance programs.
17 Nonetheless, the requirements of the bill would be
18 difficult to accomplish as the cost for small
19 business creation varies significantly for business
20 owners depending on their business type, business
21 location, market conditions and other case-specific
22 factors. We're happy to have further conversations
23 with Council Member Narcisse to improve our relevant
24 services. Intro 1132 calls for an annual analysis of
25 violations issued against small businesses by

2 geography and targeted outreach based on any
3 disparities. While we're currently unable to
4 collect-- excuse me-- conduct such annual studies
5 without increased staffing and technology capacity.
6 We are happy to deploy our business outreach staff to
7 any neighborhoods of interest to the City Council,
8 separate from our promotional efforts in all
9 neighborhoods, and to remain focused on the goals of
10 this bill. We are grateful for the City Council's
11 partnership and service to our small business
12 community from the passage of the Small Business
13 Forward package to the historic City of Yes for
14 Economic Opportunity. Together, we are building a
15 city that wholeheartedly welcomes entrepreneurship
16 and small businesses. We recognize that your offices
17 are on the front lines assisting New Yorkers every
18 day, so thank you for referring cases our way. We
19 take every request for assistance seriously whether
20 it comes through our seven walk-in Business Solution
21 Centers, the SBS hotline, the My City Business site
22 through 311 or from your district offices, and we ask
23 each of you to encourage small business owners to
24 reach out to us to access our free services. Thank

2 you, and we look forward to your questions and
3 today's discussion.

4 CHAIRPERSON FELIZ: Thank you. Thank you
5 so much for your opening statement and also for
6 joining us today.

7 COMMISSIONER GROSS: My pleasure.

8 CHAIRPERSON FELIZ: So, today we're
9 hearing numerous bills including my bill which will
10 require that SBS analyze and report on different
11 violations issued to small businesses. Specifically,
12 SBS must report on the five most-common violations in
13 each community district, and [inaudible] about
14 training, education, and other assistance to help
15 them comply with the specific challenges affecting
16 these businesses. This law, by giving us data
17 related to fines and legal issues affecting these
18 small businesses will give us a good picture of the
19 specific challenges that they're facing. It's a
20 great way of ensuring that our solutions are
21 specifically related to their issues. Every
22 commercial corridor, of course, has different
23 challenges. A commercial corridor with high foot
24 traffic might have sanitation-related issues,
25 littering and etcetera. Areas with high vacancy

2 rates might have quality of life issues. Areas with
3 large amounts of nightlife establishments might have
4 issues related to, for example, noise complaints.

5 And it's important that we understand their issues so
6 that again we can craft the right solutions. There
7 are numerous laws in effect that somewhat touch on
8 these different issue, including Local Law 156 of
9 2019 which requires that SBS conduct training and
10 education on different issues including compliance.

11 So, I guess that-- we could start with questions
12 about that Local Law, Local Law 156. So, what are
13 the different types of training and education
14 programs that Local Law 156 offers, and how many
15 people generally participate in these programs?

16 COMMISSIONER GROSS: Thank you, Council
17 Member Feliz. So, regarding Local Law 156, this is a
18 reporting requirement that to-date SBS has not
19 submitted a first report for this, and we take our
20 reporting requirements to this council extremely
21 seriously. We produce dozens of reports annually for
22 the City Council including our quarterly MWBE
23 compliance reports, the Local Law 90 report on
24 Commercial Lease Assistance which I think we'll talk
25 about today. This particular report is one that was

2 not on our radar screen and I'm very excited that
3 we're already working between the Administration and
4 the Council on a portal that's going to ensure that
5 we don't have gaps like this in our reporting
6 requirements, because we staff to ensure that we meet
7 these requirements and we take it very seriously.
8 So, my apologies for that oversight. Luckily, we do
9 report in our MMR report every year, the Mayor's
10 Management Report, on our provision of business
11 services, including government navigation services,
12 and you'll see in the MMR that our-- the number of
13 government navigation services provided increased
14 significant in FY 24. So, for example, in FY 23 we
15 provided 9,813 government navigation services. Last
16 fiscal year we provided 10,339 government navigation
17 services. So there you're seeing reflected the
18 impact of the work of our NYC BEST team which is
19 advising small businesses on licensing, permitting,
20 utilities, how to sequence all of the steps needed to
21 get to their opening day as quickly as possible, and
22 begin providing jobs and providing goods and services
23 and making money for their families. So, we are
24 reporting publicly on that work. We will ensure that

2 we meet the-- also, the reporting requirements to the
3 City Council.

4 CHAIRPERSON FELIZ: Thank you. And when
5 more or less can we expect that report to be public?
6 Do you think three months, six months is a reasonable
7 timeline more or less?

8 COMMISSIONER GROSS: I think we can do
9 better than that. We learned about the requirement
10 last week. We'll do our best to have it to the
11 Council before the end of February.

12 CHAIRPERSON FELIZ: Perfect, thank you.
13 What are some of the most-popular trainings you've
14 had under Local Law 156?

15 COMMISSIONER GROSS: So, we provide
16 dozens of types of courses, some through our Business
17 Solution Centers, some through our Central Staff. We
18 have courses on entity formation. We have course--
19 those are quite popular. We provide courses on our
20 Commercial Lease Assistance Program. So, the heart of
21 that service is a deep consultative service where the
22 business owners are actually represented by the
23 attorneys from our vendor in a confidential
24 attorney/client privilege relationship on pre-
25 litigation matters. We introduce a broader set of

2 businesses to commercial leasing, issues, concerns,
3 and the service through business education webinars
4 and clinics, and those are extremely-- those are
5 popular as well, and we think that's a great way to
6 market that service and increase the impact of our
7 investment in commercial lease assistance.

8 CHAIRPERSON FELIZ: Okay. And outside of
9 Local Law 156, are there other trainings and
10 education outreach that SBS engages in related to
11 regulatory compliance outside of Local Law 156?

12 COMMISSIONER GROSS: Yes. Well, I'm
13 getting to understand the categories of reporting
14 required by Local Law 156, and I think there's some,
15 you know, potential overlap in the categories that
16 are described in the law. so, as we work thorough
17 this we'll have to think about how we will kind of
18 distribute the business courses and business
19 education offerings that we have across the
20 categories required by the Local Law, but we do
21 provide some specialized training. For example, to
22 nightlife establishments, we're helping them
23 understand how to protect the safety of their
24 patrons. We're providing Narcan training. We are
25 helping them understand, upstander culture and

2 practices. So, for some specialized industries like
3 the Office of Nightlife, our food and beverage
4 industry partnership is providing training, and we're
5 excited that we've been working through a new
6 curriculum focused on the planning and initiation of
7 new food and beverage industry businesses so that
8 it's an industry where there's a lot of interest, you
9 know, significant complexity, but some-- fewer
10 barriers to entry than in some other industries, and
11 a great deal of interest in our client profiles, so
12 we want to be sure that they understand all of the
13 steps to launch a FNB business and have our support
14 in doing that. So that's another specialized
15 service. We also offer educational programs focused
16 on the growing legal cannabis industry in the City of
17 New York through our Cannabis NYC programs. So we
18 actually have cannabis account managers in all of
19 Business Solution Centers. The support
20 entrepreneurial New Yorkers who want to apply for
21 licensing to the state, but also understand the legal
22 cannabis industry as it's growing in the City. Those
23 are examples of some of the business education
24 services that may fall outside of the requirements of
25 156.

2 CHAIRPERSON FELIZ: Yeah, these trainings
3 are important, but access to these trainings is
4 equally important. So what are steps that we take to
5 ensure that everyone has access to these types of
6 trainings?

7 COMMISSIONER GROSS: I love that
8 question. I think as someone who's obsessed with
9 small businesses and who is really grateful to be in
10 this job, one of the things that is most frustrating
11 is when you learn that there was a business owner
12 that needs exactly the service that we provide that
13 didn't know about it, right, at the right moment? So
14 we really try to do everything that we can--
15 everything that we have done that has worked, we've
16 tried to double-down on and build new ways to reach
17 business owners. Because as a non-regulatory agency,
18 no business has to work with us. If we're not
19 delivering value through the services and reaching
20 them through channels, that they pay attention to,
21 cutting through the noise, because these business
22 owners aren't just wearing many hats. In many of
23 their businesses, they're wearing all of the hats,
24 and so we've got to get their attention in the right
25 way. We've got to reach them in language. We have

2 to have trusted partners who can promote our services
3 to them and assure them that, you know, this is a
4 quality service, that is not a scam, that's going to
5 help them and not hurt them and not have a hidden
6 cost at the end. So we do everything. We have a
7 central marketing team. We do email marketing. We
8 do social media marketing. We do Google ad search
9 responses so that you're searching for something, SBS
10 pops up in your results. We do partnership with all
11 of our business advisory groups, our SBAC, our Latino
12 American Small Business Taskforce, our Asian American
13 Small Business Taskforce. We do partnerships with
14 community organizations on the ground. Sometimes we
15 partner to deliver our series, our business education
16 series on government regulation and compliance in
17 partnership with community organizations. I believe
18 we'd done that 61 times for the NYC BEST in Your
19 Community Program. So, there we are working with
20 those community partners to understand what the needs
21 are of the business community in a particular
22 neighborhood to do advance outreach to bring them
23 together to deliver the service, and then to do that
24 follow-up to connect them to other needs. Beginning
25 in 2022, we made a decision as an agency to create a

2 central outreach team, and that has significantly
3 increased our capacity to do outreach citywide. We
4 have our Mobi [sic] mobile unit, and we take the show
5 on the road, all kinds of community events or events
6 that we create when we send out the mobile unit. We
7 canvas the corridors where we're parked. We do rapid
8 consultations inside of the small businesses, and I
9 should also note that City Council funding and your
10 discretionary programs are an important supplement to
11 the outreach resources that we provide. So, the City
12 Council has funded Chamber on the Go, I believe also
13 since-- for about eight years, and since the
14 pandemic, the Small Business Resource Network, and
15 those council's-- those discretionary contracts are
16 managed through SBS, and we-- they supplement our
17 outreach capacity. So, those are some of the ways
18 that we try to reach small businesses with awareness
19 of our programs, and then when we connect with them,
20 we ask them how they heard about us so that we can
21 know what's working in terms of our outreach methods
22 and try to invest in those effective methods of
23 connection.

24 CHAIRPERSON FELIZ: Thank you. Thank you
25 so much for all the information on Local Law 156. A

2 few questions about Intro 1132, but before that I'll
3 recognize the Council Members who have joined us,
4 Council Member Ung, Bottcher, Zhuang, and Krishnan.
5 Thank you for joining us today. A few questions
6 about 1132 which requires that SBS analyze and report
7 on the different violations issued based on community
8 district and different corridors. First and foremost,
9 what's the Administration's position on the bill? Is
10 it supportive? And also, are there ways of making
11 the bill better, stronger, so that we could make the
12 goals easier to achieve?

13 COMMISSIONER GROSS: Thank you, Council
14 Member. Well, I'm a nerd. So a reporting bill that
15 asks SBS to focus on, you know, agency-wide, city-
16 wide violations data I think is starting in a very
17 strong place. Here I want to reflect back on, you
18 know, what I mentioned in my testimony. There's some
19 resource challenges to delivering on this, and I
20 think it's useful to think about what we were able to
21 accomplish in terms of increased effectiveness with
22 our agency outreach team. There we created a central
23 research-- excuse me-- resource to focus on outreach,
24 and you know, we've been able to reach many more
25 neighborhoods, many more businesses and individuals

2 through that team. We do have some staff at SBS that
3 are focused on data management, but it is generally
4 our-- the management of our service data. So, our
5 data describing the work that we do, data describing
6 our clients. We manage it for reporting to funders.
7 We manage it for reporting to the City Council and
8 for being able to perform our work and measure the
9 effectiveness of our work. So, I believe this bill
10 contemplates a new type of data responsibility for
11 SBS which would be an analysis of citywide violations
12 data. many of it-- much of it is available in the
13 Open Data Portal, but to effectively mine and then
14 analyze and then represent the insights that you're
15 interested in, too, would require you know, geocoding
16 tools, data visualizations, specializations, mapping
17 resources, and we would want to, you know, be able to
18 tackle it the right way if this bill moves forward.
19 So, again, I love the focus, but currently we don't
20 have resources to create a central data team to
21 provide this type of detailed analysis or with the
22 focus on geographic disparities that you would like
23 to see going forward. And so, for this we'll have to
24 I think remain in conversation between the Council
25 and the Administration about that resource gap.

2 CHAIRPERSON FELIZ: Okay, a few more
3 questions on that. Does SBS know more or less how
4 many businesses reach out for help related to
5 regulatory compliance and fines and other legal
6 issues? Any rough data on that?

7 COMMISSIONER GROSS: Yes. So in terms of
8 outreach, I'll have to ask Natasha to try to find
9 that for me, but I have the number of businesses that
10 we served with government navigation services in
11 2024. That was over 8,000 businesses.

12 CHAIRPERSON FELIZ: 8,000?

13 COMMISSIONER GROSS: Yes, over 8,000
14 citywide.

15 CHAIRPERSON FELIZ: And have you ever
16 analyzed regulatory violations based on geographic
17 regions, for example, based on borough, based on zip
18 code or based on different commercial corridors?

19 COMMISSIONER GROSS: So, because we are
20 obsessed with our work, we have done some ad hoc
21 analysis, but not on a consistent basis to understand
22 distribution of violations across the five boroughs.
23 So the strategy in EO2 was to require each regulatory
24 agency to do an analysis of their own violations, and
25 identify the 25 top violations for that agency and

2 determine what could be reduced. So there was not
3 the kind of responsibility that you're considering
4 for SBS, centralizing that, and that work was
5 coordinated by City Hall. At various points in the
6 Council's interest in reducing small business
7 regulation, I think City Hall teams from the Mayor's
8 Office of Operations to the Mayor's Office of
9 Efficiency have been part of that work. So, again,
10 this would be a new responsibility for SBS, and we've
11 done it only on an ad hoc basis to-date.

12 CHAIRPERSON FELIZ: If this bill is
13 implemented, are there any regulations we think will
14 come out of it? For example, regulations that we're
15 always hearing about when we're talking to small
16 business owners?

17 COMMISSIONER GROSS: I think if this bill
18 were implemented, we would have some insights into
19 the incidents of inspection. We would have more
20 insight into the fiscal, the financial impact of
21 regulatory enforcement by our city agency partners.
22 I think also I would love to have insights into when
23 they're-- because I think when there are repeat
24 instances of non-compliance or citation for non-
25 compliance, the assumption is that the business owner

2 is a scofflaw, right? I don't think that's usually
3 the case. Very often there's misunderstanding at the
4 base of it, or there's an operational challenge that
5 may be standing between the business owner and
6 compliance. For example, understanding the hours of
7 sidewalk inspection by their local sanitation depot
8 or understanding what aspect of their sidewalk usage,
9 right, is problematic and could be cited by DOT. So,
10 by understanding both the distribution of regulations
11 citywide, what types of businesses re being impacted,
12 the financial impact on those businesses, and where
13 there's repeated instances of citation, I think that
14 could help to inform policy, innovations and service
15 adaptations, as well.

16 CHAIRPERSON FELIZ: Yeah, any specific
17 issues, though, that we think will come out of this,
18 for example, repeat violations? When we speak with
19 businesses I'm sure DSNY-related violations are
20 something that we hear about a lot. Also, you
21 mention inspections. Any specific inspections or any
22 issue that we think will, I guess we could, foresee
23 based on the conversations we've had with businesses?

24 COMMISSIONER GROSS: Well, I would say
25 based on the experience of EO2, we worked with all of

2 the regulatory agencies and they were all able to
3 identify some opportunities for improvement in their
4 own scopes of work. So I wouldn't-- I wouldn't want
5 to guess about what the analysis would show. I think
6 they would be broad.

7 CHAIRPERSON FELIZ: Okay, and final
8 question and then I'll pause. So this is one of the
9 first discussions we have on this bill, the analyzing
10 different types of violations based on commercial
11 corridors. I know we're still analyzing the idea
12 [sic] and thinking about ways we could implement it.
13 But if you were to guess approximately how much
14 funding would be needed to implement the idea to
15 fulfill all parts of it, you know, analyzing the
16 fines, reporting, but also conducting the training?
17 And also, more or less if you were to guess, how big
18 would the staff-- how much staff would you need for
19 it? Budget and also staff numbers.

20 ACTING CHIEF OF STAFF KHAN: Thank you,
21 Council Member. So, OMB is working-- we're working
22 with the Office of Management and Budget on
23 understanding the fiscal impact here overall across
24 the three bills that have been put forward for this
25 hearing. The impact would be around \$7 million in

2 terms of headcount. On the bills related to fines
3 and fees and reforms, it's a two percent headcount
4 impact to the agency.

5 CHAIRPERSON FELIZ: Thank you. Thank you
6 for the information. I'd like to recognizes Council
7 Member Paladino--

8 COMMISSIONER GROSS: [interposing] I'm
9 sorry, I'd like to add that in addition to the
10 headcount, there's likely to be tools, technology
11 tools to do the mapping and analysis and make it
12 available broadly.

13 CHAIRPERSON FELIZ: Okay, thank you. So,
14 recognized Council Member Paladino who has joined us.
15 I'll pass it back to our Majority Leader for some
16 questions.

17 CHAIRPERSON FARIÁS: Thank you, Chair.
18 I'm going to start off with some questions that I
19 have just from testimony. Do you folks happen to
20 currently have or have looked at the criteria
21 utilized by the Supreme Court as what's determining--
22 the determining criteria for harassment? Because I
23 know where you folks referenced on 30 cases for
24 commercial tenant harassment law. To me, 30 cases is
25 just 30 cases too many. So, I just want to know if

2 you folks have available like what is a criteria
3 that's utilized for the term or the issue of
4 harassment and then if so, how many of those 30 cases
5 that you folks looked into were building regulatory,
6 if you have that?

7 COMMISSIONER GROSS: So, we've only
8 pulled the cases and seen the-- looked for the
9 disposition of the cases and the distribution of the
10 cases across the year since the local protection was
11 enacted which was September of 2016. So, we saw, you
12 know, the first cases begin around 2019, a small
13 increase in the case during the pandemic, but we'd
14 like to look further and understand that. We're
15 happy to be in conversation with Council about the
16 cases that have been filed to-date. And we
17 identified them through Alexis Nexus [sic] search.
18 We don't have any special insight into what those
19 cases will be, because we are not currently providing
20 litigation support for those cases. I feel like I
21 missed part of your question.

22 CHAIRPERSON FARIÁS: Just asking if we
23 knew like that the criteria the Supreme Court is
24 utilizing to determine harassment or what's labeled
25 and listed as harassment? I think when it comes to--

2 as I'm sure you folks are familiar with, when it
3 comes to some of the small businesses, we're seeing,
4 you know, not renewal of leases purposefully. We're
5 seeing forced rental increases. Are those-- those
6 examples for the sake of examples, are those
7 considered harassment or harassment-like in terms of
8 their criteria, because I do think there's a strong
9 difference between what a individual small business
10 owner experiencing numerous letters pushing them out,
11 eviction notices, forced violations as that's
12 harassment to them, but maybe the Supreme Court or
13 even our city doesn't identify those types of actions
14 as harassment to a tenant or-- a commercial tenant or
15 a small business owner.

16 COMMISSIONER GROSS: So, there is a
17 statutory definition in the section of the code
18 concerning, you know, what constitutes commercial
19 tenant harassment, and again, we'd have to look more
20 closely at those cases to understand what aspects of
21 behavior were cited by the tenants. I can say that
22 in our Commercial Lease Assistance Program, you know,
23 we don't require clients to-- we don't narrowly focus
24 on a statutory definition of harassment. So, some of
25 the types of tenant complaints that lead them to

2 reach out to request CLA support may have to do with
3 landlord, you know, blocking access to the space,
4 issues of repairs not done making the space unusable,
5 ex-- you know, demands for increased payment or
6 payments that are outside of what is determined by
7 the lease. And our Commercial Lease Assistance
8 Vendor is addressing that by leveling the playing
9 field between that tenant and the landlord who are
10 always represented so that the landlord has the--
11 excuse me, the small business has a skilled advocate
12 in negotiating with the landlord. But that vendor is
13 providing only pre-litigation services. So, if a
14 small business comes to SBS, our Business Solution
15 Center or any partner, and gets referred to us when
16 they're already in eviction proceedings, our vendor
17 is required to provide a warm handoff, referral to
18 low-cost or pro bono legal services for that
19 litigation purpose, but the CLA intervention does not
20 extend to representation in court.

21 CHAIRPERSON FARIAS: Okay, and just off
22 of the Commercial Lease Assistance Program and the
23 legal services that are provided, is-- in this
24 program, is it required to or do they voluntarily
25

2 report instances of potential or suspected commercial
3 tenant harassment?

4 COMMISSIONER GROSS: So, we manage the
5 vendor who delivers the program and we get aggregated
6 data on the types of matters in which they represent
7 small business clinic clients, and they share details
8 on some of the cases in-- they share some details on
9 the cases with SBS through our CRM, but they are in a
10 privileged attorney/client relationship with the
11 client. So, we get aggregated data. We're not
12 getting all of the details so that there's some
13 privacy for the business in that representation.

14 CHAIRPERSON FARIÁS: Okay, thank you. In
15 Local Law 90 of 2020 it empowers SBS to provide legal
16 representation in court for small businesses and
17 small business tenants who may lack the resources to
18 secure their own attorney. Outside of-- is the
19 vendor the only-- this program the only space where
20 we're providing legal services, and what other cases
21 have you folks provided in court legal
22 representation?

23 COMMISSIONER GROSS: So, this s not the
24 only program through which we provide legal services,
25 but I would say it's the deepest engagement because

2 it is actually providing representation in an
3 attorney/client privileged relationship, but we also
4 provide legal consultations through our Business
5 Solutions Centers. I believe in FY 24 we provided
6 more than 800 pro bono legal consultations through
7 our Business Solution Centers. We also work with
8 legal services providers such as Legal Aid,
9 volunteers of legal services that provide legal
10 clinics for small businesses, sometimes focused on
11 target populations or specific needs. For example,
12 toward-- in the last quarter of the calendar year
13 2024, as the Corporate Transparency Act requirements
14 were rolling out and rolling out in a really
15 confusing way, right, because of pending change in
16 Administration, litigation, and we wanted to get out
17 the word to immigrant business owners in New York
18 City and all business owners that might have had a
19 filing obligation under the Corporate Transparency
20 Act. We actually worked with Legal Aid to deliver
21 webinars in multiple languages to small business
22 owners. Also did outreach through community and
23 ethnic media. So we are doing clinics for WE NYC, BE
24 NYC, and many audiences. In addition, we have a MWBE
25 contract legal services program. So, if you're a

2 small business that wants to grow by contracting with
3 New York City, you can understand the terms of the
4 contracts. You can understand if you're
5 subcontracting what the terms of the agreements may
6 be with primes and all of those riders. That is not
7 like as deep of service as CLA. It's consultations
8 and business education on legal topics. Those are
9 some of the other legal services we're able to
10 provide as an agency.

11 CHAIRPERSON FARIÁS: And all of those are
12 accessible in a multitude of languages and different
13 forms of media?

14 COMMISSIONER GROSS: Yes, Council Member.

15 CHAIRPERSON FARIÁS: Great. Thank you.
16 I'd like to talk about some of the effects of
17 commercial lease difficulties. High storefront
18 vacancy rates remain an issue for numerous
19 communities in the city. Has SBS analyzed whether
20 there are any relationships between commercial
21 leasing practices and high vacancy rates? And I'd
22 like to know whether lease or legal challenges might
23 be contributing to the high number of vacancies.

24 COMMISSIONER GROSS: I don't think we're
25 quite there yet, Council Member Fariás.

2 CHAIRPERSON FARIÁS: Okay.

3 COMMISSIONER GROSS: We have really
4 increased our work to understand the incidence of
5 small business vacancy and changes in small business
6 vacancies citywide on a comprehensive basis, and that
7 has been an incredible resource. It's actually--
8 it's a data recourse that we share with many city
9 agency partners. I believe we have a community of
10 practice on the small business and commercial vacancy
11 that includes more than 100 city staff across many
12 agencies, and we work with our Office of Technology
13 and Innovation to share that data citywide. But the
14 human behaviors that contribute to vacancy I think
15 are the next level analysis. So we've been working
16 with our Department of City Planning, sharing the
17 live XYZ data. You saw some reporting recently and a
18 DCP study on commercial vacancy citywide, and there
19 are additional questions that we hope to explore. It
20 will be-- you know, we also need to maintain the
21 insights that we have through that work, and so we're
22 hoping to have success in doing that in upcoming
23 budget cycles.

24 CHAIRPERSON FARIÁS: Okay. I think it's
25 really important for us to focus in on this aspect.

2 I 100 percent agree that sometimes there are maybe
3 some business or entrepreneurship practices that can
4 add to whether or not there's consistency or
5 longevity, but there are also some of the, I think,
6 larger, more macro commercial corridor management
7 company or landlord/leasee relationships that are
8 expanding and really impacting how small businesses
9 get to stay within corridors and in communities, and
10 it should be on us to be managing and figuring out
11 systems and feedback. In terms of the feedback, have
12 you folks heard from small business owners and other
13 small business representatives on how commercial
14 lease challenges might be making it difficult to find
15 or stay a suitable location in communities for their
16 business?

17 COMMISSIONER GROSS: So, Council Member,
18 I think where we have heard from groups of business
19 owners or about challenges of groups of business
20 owners, it's primarily been from elected officials
21 who are aware of some impact on a corridor that may
22 be relating to say a pending economic development
23 project, an upcoming rezoning where there may be
24 landlords who are reluctant to renew leases before
25 they understand what the impacts of those changes may

2 be on the neighborhood, whether or not they present
3 additional market opportunities for the landlord. I
4 would say, other than that, we work with the
5 individual business owner's and the reasons that
6 they're experiencing commercial lease challenges
7 really vary. Sometimes they have to do with, you
8 know, issue of affordability, nonpayment, and you
9 know, the challenge of managing rent arrears.
10 Sometimes they have to do with transitions in
11 property owners, and you know, prior relationships
12 with the owner's long-term relationships that have
13 been disrupted because of a sale of a property. But
14 where we've heard about groups of business owners,
15 it's often been related to neighborhood-level kind of
16 real estate changes or concerns about them.

17 CHAIRPERSON FARIÁS: Thank you. I'd like
18 to acknowledge we've been joined by Majority Whip
19 Brooks-Powers. Outside of that, are you getting any
20 referrals from our Merchant Associations, our, you
21 know, EDCs, our BIDs and whatnot, and also to support
22 that or to respond to some of the vacancy rates or
23 like high rental increases that they're hearing,
24 etcetera?

2 COMMISSIONER GROSS: Yeah, so we-- the
3 teams and divisions across SBS work really closely
4 together. So, our Neighborhood Development Division
5 both helps to form BIDs, is part of the governance of
6 BIDs in an ongoing fashion. We deliver grant
7 programs and capacity-building programs for BIDs and
8 other community development organizations that are
9 focused on the health of commercial strips, and they
10 are deeply familiar with SBS' services and they help
11 to connect businesses within their boundaries and
12 even nearby to those services, and so yes, we hear
13 from our Merchant's Associations, our Business
14 Improvement Districts, but we have a really robust
15 ecosystem of small business supporters in the City. I
16 think all New Yorkers are a little bit obsessed with
17 small businesses, but there are many nonprofits that
18 make it their mission, and we're lucky to have their
19 partnership. They range from, you know, the
20 membership associations and the Chambers of Commerce,
21 and other ethnic Merchant's Associations to
22 community-based development organizations like Bridge
23 Street and other types of nonprofit partners. So,
24 yes, we are in close partnership with them. We
25 manage a mailing list of 700 community organizations

2 that we email regularly to share information about
3 our services and events.

4 CHAIRPERSON FARIÁS: Great. And then in
5 spaces where small businesses are encountering
6 difficulties with commercial landlords, does SBS
7 offer any programs or services to help them relocate,
8 find a different space, minimize any other cost of
9 getting into a bad situation?

10 COMMISSIONER GROSS: So, in terms of
11 relocation, we've only had a few relocation-specific
12 programs in recent years, and they have been-- they
13 haven't had a broad demand. So, one of them was
14 focused on the Jerome Avenue corridor relating to a
15 rezoning, because there was concern that there would
16 be displacement of long-time auto repair businesses
17 on the corridor. We currently are in the process of
18 launching a program focused on the Gowanus
19 neighborhood, also relating to a rezoning. As I
20 said, you know, we're non-regulatory, non-enforcement
21 agency, but when it comes to giving grants, including
22 relocation grants, the criteria for working with the
23 city I think can be significant for a business. For
24 example, you need to be, you know, up-to-date on all
25 of your taxes, and you have to be able to show that

2 the displacement or the potential move is related to
3 the rezoning. So, we do our best to deliver those
4 programs as laid out in the points of agreement, and
5 but they haven't had a significant demand.

6 CHAIRPERSON FARIÁS: Okay.

7 COMMISSIONER GROSS: Other than that, we
8 do deliver some incentive program if you're a
9 business operating within Manhattan and you're
10 locating to upper Manhattan or to the five boroughs,
11 there may be some resources supporting that
12 relocation. Otherwise, it's advisement through our
13 Business Solution Centers, our industrial business
14 solutions providers or through CLA if you're signing
15 a lease in a new location.

16 CHAIRPERSON FARIÁS: Got it. And do you
17 folks-- I just want to go over some vacancy rate
18 quick questions. Do you folks have the percentage,
19 the current percentage, of vacant storefronts in the
20 City?

21 COMMISSIONER GROSS: It's 11 percent
22 citywide.

23 CHAIRPERSON FARIÁS: And do you have that
24 borough-specific rate by any chance?

2 COMMISSIONER GROSS: Yes, do we have it
3 hear in my binder? If not, I've got--

4 CHAIRPERSON FARIÁS: [interposing] Yeah,
5 you can-- you can send if you don't have it.

6 COMMISSIONER GROSS: and we can follow
7 back up with it. The Bronx is eight percent.

8 CHAIRPERSON FARIÁS: Oh, thank you for
9 knowing that. With two Bronx members, that's a good
10 thing to remember. And do you happen to know if the
11 numbers have increased over the past three years at
12 any point, and if so by what rate if you know it?

13 COMMISSIONER GROSS: So, it really is
14 very different by corridor, so we're happy to follow
15 up with more details citywide.

16 CHAIRPERSON FARIÁS: Yes, that would be
17 really helpful.

18 COMMISSIONER GROSS: Vacancy rates have
19 declined over the last year, so over the last four
20 quarters. But as I said, it varies by corridor and
21 there are some pockets of higher vacancy.

22 CHAIRPERSON FARIÁS: That's great. And do
23 you folks keep track of or have the average amount of
24 time a vacant storefront remains vacant? Are we

2 getting that micro and minuscule in some of our
3 corridors?

4 COMMISSIONER GROSS: I'm not sure I've
5 seen exactly that number, but we can track the change
6 in a space form occupied to vacant or vacant to
7 occupied, because we're doing quarterly-- the vendor
8 who we have tracking vacancy is doing quarterly on-
9 the-ground surveys to determine that change. So it's
10 possible to analyze from the vacancy data.

11 CHAIRPERSON FARIÁS: Okay.

12 COMMISSIONER GROSS: Which was first
13 baselined pre-pandemic, and then I think there was
14 some gap in data collection and we've been
15 contracting with them for two fiscal years now.

16 CHAIRPERSON FARIÁS: Okay. I'll send some
17 follow up questions on the vacancy stuff, because I
18 think they get a little particular, but I'm very
19 interested in it. I just have some last questions,
20 last couple of questions about SBS and maybe some
21 responsibility or relationship with our street
22 vendors. Does SBS lead in conducting any street
23 vendor outreach in education?

24 COMMISSIONER GROSS: So, we had-- as I
25 said, we're committed to outreach. We have an agency

2 outreach team. We consider street vendors to be
3 microbusinesses, and we work to understand their
4 needs and to include them in our outreach. I
5 wouldn't say we have been assigned responsibility for
6 it, but as New Yorkers who are trying to make a
7 living through business activity, we are committed to
8 serving them. And so in 2022, I believe, we did a
9 large mailing to street vendors, I believe 2,200
10 licensed street vendors, about our services, our
11 Business Solution Centers so that they know that
12 these centers are city resources that can serve them
13 as well. I believe we translated that into 10
14 languages and including Wolof, because that's a
15 language of high-demand. We have as part of our
16 Small Business Advisory Commission staff from--
17 leaders from the Street Vendor Project, and we also
18 work with other street vendor-- you know, not all
19 street vendors, but also market vendors, as part of
20 our SBAC and our programming. So, yeah, that's some
21 of the support we provide for street vendors.

22 CHAIRPERSON FARIAS: And do you folks
23 have funding dedicated annually or anything dedicated
24 this fiscal year to support staffing or educational
25 outreach to street vending or street vendors outside

2 of the mailing? I know that'll be a fiscal line
3 item.

4 COMMISSIONER GROSS: So, again, we try to
5 keep the lines of communication open by working
6 closely with street vendor advocacy groups. We also--
7 one of the recommendations of our Small Business
8 Advisory Commission was to try to understand a
9 landscape analysis of street vending in the City.
10 And so we are working with a vendor to conduct that
11 study this year. And we have invested some one-time
12 finding that we received as part-- following the
13 blueprint in that study.

14 CHAIRPERSON FARIÁS: Okay, so no direct
15 line times, but the Advisory Group is conducting an
16 analysis and you're doing--

17 COMMISSIONER GROSS: [interposing] That's
18 right.

19 CHAIRPERSON FARIÁS: mailing which is
20 great. And do you folks, does SBS plan to document
21 how many street vendors are reached via SBS services,
22 whether that's the hotline, small business support
23 centers, any individualized support? Do we have that
24 already in the system somewhere?

2 COMMISSIONER GROSS: This is a great and
3 interesting question, and I think as a government
4 agency we always have to balance between our desire
5 to have deep insights into our clients to be able to
6 measure the effectiveness of our service and report
7 on it, and the reluctance that some clients have to
8 share data with government. So when we're tracking
9 consumption of our business services, we ask the
10 individuals who participate to tell us about their
11 industry, and we try to have some unique identifier
12 for describing their business, if it's operational
13 like an EIN. We don't always get that. And we also
14 want to be sensitive about, you know, creating
15 barriers to consuming service for populations that
16 may be more vulnerable. And so we don't ask street
17 vendors to identify themselves as street vendors to
18 consume a business education course or a legal
19 consultation. We would track them as a food service,
20 you know, business or an entrepreneur with the desire
21 to launch a food service business. And I'm not sure
22 that it's the right time to add that kind of data
23 collection or tracking, but I'm happy to be in
24 further discussion about it.

2 CHAIRPERSON FARIÁS: I was just asking to
3 know for myself, but I would agree with your final
4 statement. Okay, I think I'm done for questions.
5 Thank you, Chair. Thank you, folks.

6 CHAIRPERSON FELIZ: Thank you. Thank you
7 so much for the questions. A few questions and then
8 I'll pass it on to Council Member Bottcher. A few
9 questions about Council Member Steven's Intro 449
10 which would create a commercial landlord watch list,
11 specifically focused on commercial tenant harassment.
12 So, earlier you mentioned-- well, could you just
13 clarify the Administration's position? Is it that
14 you're not supportive, or is it that you're open, but
15 we'll have to develop a better system for determining
16 what-- who do we determine what's harassment?

17 COMMISSIONER GROSS: So, we don't think
18 it's an appropriate responsibility for SBS given our
19 core strategies of partnership, the role that we play
20 of working with BIDs and also the fact that we're
21 non-regulatory and non-investigatory. We're not
22 staffed to carry out such a responsibility. I think--
23 - I loved reading the committee report on the bill
24 and the bill text, because I think it focuses in on
25 some data points that are really interesting. The

2 incidents of findings of harassment in case law where
3 harassment is alleged. The, you know, incidence of
4 small business evictions, and even, you know, the
5 violations data complicated to understand it. so I
6 think it's a great question to ask, but it's the low
7 number of cases that have been brought under the
8 protections, outlawing commercial tenant protections
9 since 2016 that I think is the strongest argument
10 against a required annual report, you know, with
11 less-- just a couple dozen cases over eight years,
12 including the pandemic. I think an annual report
13 might be more than what's required, and if it is to
14 go forward, we'd be happy to be in conversation
15 about, you know, what entity might be more
16 appropriate than SBS.

17 CHAIRPERSON FELIZ: Yeah, my next
18 questions was going to be what agency should run such
19 program, but I'm not going to ask. I'm not going to
20 get SBS to start fighting with other agencies. Based
21 on the systems that SBS currently has, have they
22 received any reports about commercial harassment?

23 COMMISSIONER GROSS: So, clients reaching
24 out for CLA support, you know, sometimes use the word
25 harassment, and again, we don't require them to have

2 harassment as defined in the law to access the
3 program. we hope that, you know, they're-- we can
4 support them through the pre-litigation services of
5 the program when we connect them with the attorneys
6 to better understand their challenge, and you know,
7 devise a strategy for negotiating on their behalf.
8 We don't receive-- you know, there's not a
9 requirement. For example, you know, some laws that
10 you can enforce through the courts have an
11 administrative, you know, a path that you can take.
12 If you're a tenant, a residential tenant complaining
13 of a landlord issue, you can go to Housing Court or
14 you can complain to the State's Department of Housing
15 and Community Renewal and going through an
16 administrative process. There's nothing like that
17 regarding commercial tenant harassment, and so we're
18 not receiving reports and I don't believe any entity
19 is receive reports of tenant harassment that are
20 complained. So it's through our service delivery on
21 CLA that we have the greatest insight.

22 CHAIRPERSON FELIZ: Does SBS think it
23 would be a good idea to start tracking commercial
24 landlord harassment whether it's SBS, HPD, or any

2 other agency? Do you think it'll be a good
3 initiative?

4 COMMISSIONER GROSS: I can't say, Council
5 Member, that it feels like it's an issue that is
6 right for investment in a way that I think would have
7 the impact of our commercial lease assistance
8 service. I think that that is a really great
9 investment for the city, and I'm grateful that it's
10 been baselined, because it allows us to plan and
11 deliver that service on a consistent-- in a
12 consistent way citywide. And if we are able to
13 support tenants, commercial tenants, through pre-
14 litigation services, I think it makes sense to focus
15 on that path to support that we've seen work over the
16 course-- since 2018.

17 CHAIRPERSON FELIZ: Thank you. I'll pass
18 it over to Council Member Erik Bottcher for some
19 questions.

20 COUNCIL MEMBER BOTTCHEER: Hi,
21 Commissioner, how are you? Thank you for coming to
22 my district a few weeks ago.

23 COMMISSIONER GROSS: That was so fun.

24 COUNCIL MEMBER BOTTCHEER: Really
25 appreciate it. We had fun.

2 COMMISSIONER GROSS: That was my first
3 corridor walk that was almost all night-life
4 businesses. I really loved it.

5 COUNCIL MEMBER BOTTCHEER: We had fun even
6 though it as pouring rain and freezing cold. We
7 still had a good time. Commissioner, you testified
8 that you've-- you've testified that the City has seen
9 four consecutive quarters of declining storefront
10 vacancies. Could you tell us again what the current
11 vacancy rate is for storefronts across New York City,
12 and how does that compare historically? We've had
13 four consecutive declining quarters, but how does
14 that compare to the pre-pandemic years, and what
15 would you consider a normal or a healthy vacancy rate
16 for storefronts?

17 COMMISSIONER GROSS: So, Council Member
18 Bottcher, I would love to share of more specific
19 insights with you from our vacancy tracking. That is
20 data that we have. so, this isn't-- you know, let me
21 try to research this and get back to you just to have
22 the right details in front of me, and we're happy to
23 circle back quickly with that, because this is a part
24 of our work that we've invested in and we're proud
25 of. So, besides being able to say that the citywide

2 vacancy rate is about 11 percent, that we have seen
3 an overall reduction in vacancy citywide, and you
4 know, it varies by corridor how the current vacancy
5 rate compares to pre-pandemic levels, and I'd love--
6 we can give you that. And I'm-- let me ask my staff
7 in terms of the level of analysis for the commercial
8 vacancy rate. We certainly have it on a borough
9 level, but we may have some finer geographic
10 distinctions as well. I know that we have it, for
11 example, for our Business Improvement Districts, I
12 believe, from the baseline data to the most updated
13 data. So we're happy to circle back with that.

14 COUNCIL MEMBER BOTTCHEER: Yep. In your
15 testimony you state that the small businesses in the
16 Central Business District are experiencing high
17 turnover and persistent vacancies. Essentially,
18 you're talking about Midtown Manhattan.

19 COMMISSIONER GROSS: Midtown and some
20 parts of downtown Manhattan, yes, Council Member.

21 COUNCIL MEMBER BOTTCHEER: To what factors
22 do you attribute the declining vacancy rates citywide
23 over the last four consecutive quarters, and to what
24 factors do you attribute the high turnover and
25

2 persistent vacancies in the special-- in the Central
3 Business District?

4 COMMISSIONER GROSS: So, we've seen an
5 increase in small business creation since the
6 pandemic. That small business creation has been
7 concentrated in the outer boroughs. In the-- in
8 Manhattan we've got higher real estate costs, and we
9 also have challenges that small business experienced
10 due to competition with online retail. The way that
11 we shop as New Yorkers has changed a lot, and that
12 has changed the calculus of business owners about
13 operating in brick and mortar spaces. I think there
14 are also some associations perhaps with hybrid and
15 remote work patterns. So, you have some commercial
16 areas in the outer borough neighborhoods that, you
17 know, didn't have shoppers, you know, for the lunch
18 hour-- now may. There are also changes in the food
19 and beverage industry, in the delivery industry, in
20 the available of commercial space through ghost
21 kitchens. So, there are many market factors that
22 also contribute to the change, but those are a few.

23 COUNCIL MEMBER BOTTCHE: Thank you.

24 CHAIRPERSON FELIZ: Thank you. Thank you
25 so much for your questions. A few more questions on

2 that topic of vacancies. So, in the Bronx commercial
3 vacancies have been decreasing, and the Bronx has the
4 lowest amount of vacancies, is that correct?

5 COMMISSIONER GROSS: Eight percent. I'm
6 not-- Bronx I think is the lowest followed by
7 Brooklyn.

8 CHAIRPERSON FELIZ: What are businesses
9 that we've seen number one, go out of business these
10 past five years, and also what percentage have mostly
11 opened up. Are we seeing more retail, restaurants?

12 COMMISSIONER GROSS: So, we are seeing
13 growth of night life businesses, some food service
14 establishments. We're seeing a decline in dry goods
15 businesses. So, you know, businesses that sell stuff
16 that New Yorkers need. The folks, you know, who
17 might have sold hats, sporting gears, trophies, those
18 types of things in a neighborhood. Some types of
19 business that I think New Yorkers typically shopped
20 at, but can now have competition from products
21 produced over line and available through major online
22 retailers. We're seeing some growth in experiential
23 types of businesses. So, Bounce You's [sic] and the
24 climbing gyms and the ping-punt tables and the golf
25 simulators. And I think there's been some growth in

2 healthcare businesses and we're happy to follow up
3 with more details about the change in business types
4 that we're seeing citywide.

5 CHAIRPERSON FELIZ: But what--

6 COMMISSIONER GROSS: [interposing] New
7 food and bev. Look, my-- so I say the thing and then
8 they slide me the note to tell me whether I was right
9 or wrong. I'm right on [inaudible].

10 CHAIRPERSON FELIZ: Good, good. To what--
11 - just curious, though. About a month ago I was
12 shopping, looking online what's available including
13 at Home Depot, doing some stuff at my apartment, and
14 then I was able to get a large item that I would have
15 otherwise have gone to Home Depot to pick up and then
16 have to carry and then have to deliver. My car is
17 not large enough for that item. Amazon was able to
18 deliver it within 12 hours. So, just curious, to
19 what extent is companies like Amazon playing a role?
20 Again, imagine a large item that you'll have to pay
21 for delivery or carry yourself. Have to number one,
22 go to Home Depot or travel, versus being able to have
23 it-- you order at like 8:00 p.m. the day before,
24 10:00 a.m., it's in front of your door. That's--

2 COMMISSIONER GROSS: [interposing] So,
3 our Department of Transportation did a--

4 CHAIRPERSON FELIZ: [interposing] Hard to
5 compete with.

6 COMMISSIONER GROSS: study and they put
7 out a stat, the percentage of New York City
8 households that receive a delivery every week, and I
9 always say it wrong, but it's enormous. We'll circle
10 back to you with the specific stat. I mean, we see
11 it. We see the trucks on our street, right? It's
12 part of the congestion we experience in our city.
13 You know, I'm not sure that there's a right or wrong
14 there. We also have a growing set of business owners
15 that participate in the transportation and logistics
16 industry. They do some of our hiring through
17 Workforce One. Those are important aspects of
18 business growth as well. So, it's definitely a
19 challenge for local businesses that have to compete
20 in that way. I think the story Amazon would tell is
21 that they also engage small business owners so that
22 they're able to sell through their platforms. How
23 can we understand the aggregate impact? I think it's
24 something that we watch overtime. And it's-- we also
25 need to invest in small business resilience to help

2 those businesses that want to pivot. You know, figure
3 out ways to use the expertise that they've developed
4 in new ways.

5 CHAIRPERSON FELIZ: And a similar
6 question, but I guess related to smaller businesses.
7 Any trends we've seen related to bodegas? I speak
8 with bodega owners, and they all say business is
9 slow. I'm wondering role is the-- or these online
10 apps, or you know, different things you could order
11 through your phone playing-- what role that's playing
12 in business being slow for other small businesses?
13 Any trends we've seen on that?

14 COMMISSIONER GROSS: So, I think in food
15 and beverage, you know, we've seen some growth, and
16 in some ways of doing business have been challenged
17 and businesses that have adapted to work with the
18 delivery apps, to embrace social media marketing,
19 right? They may have different experiences.
20 Inflation has also been a huge challenge for those
21 businesses as the cost of ingredients goes up. You
22 know, they have to raise their prices and customers
23 that a price sensitive, you know, may vote with their
24 feet or vote with their pockets, right? Because the
25 price of a bacon, egg, and cheese. You know, it's

2 not under five dollars anymore, because the inputs
3 are higher and insurance costs are higher, and the
4 lease may be greater as well. So, I think all of
5 these things combined to make this an environment
6 where small business education, connections between
7 small businesses. A robust ecosystem of support for
8 small businesses is increasingly important. These
9 are smart folks. They know how to make money.
10 They're expert in their work, but the pace of change
11 does require, I think, a city that's also focused on
12 supporting them through those periods of change.

13 CHAIRPERSON FELIZ: And final question,
14 and then I'll pass it on to Council Member Paladino.
15 To what extend is the issue of retail theft playing a
16 role on the issue of vacancies? I mean, it seems
17 like retail stores are gone, or will be gone, many
18 for the most part. So, what role is that playing or
19 we've seen play on that topic of vacancies?

20 COMMISSIONER GROSS: So, we do see
21 complaints about retail theft citywide. We respond
22 through our services of our emergency response unit.
23 We work closely with our Business Improvement
24 Districts that-- you know, they-- people know them
25 for the work that they provide planting the tree pits

2 and providing tree guards and doing district
3 marketing, and you know, beautiful lighting events
4 and other types of events. But the BIDs provide
5 supplemental security as well, and that is very
6 important to addressing retail theft issues. I can
7 say that City Hall and the NYPD are very focused on
8 the problem of retail theft. There are many--
9 multiple kind of groups convened and programs across
10 the City to address this, including the Fusus camera
11 program and other programs under consideration I know
12 even in the U.S. Congress, you know, panic buttons
13 and things of that nature. So we try to connect
14 business owners to public safety officials to address
15 those issues where we can to emergency grants to help
16 them recover from instances where they've been harmed
17 by crime, vandalism and things of that nature, and I
18 think it'll continue to be a problem, and it's a
19 perception problem, too. You know, you may have one
20 major incident on a corridor that makes the corridor
21 feel unsafe for businesses that might have been
22 considering locating there or businesses nearby. So
23 the Administration is very focused on it. I think
24 Deputy Mayor Chauncy Parker is doing a fabulous job
25 in the Every Block Counts initiative to really

2 address those fears that are created by incidents of
3 retail theft and public safety.

4 CHAIRPERSON FARIÁS: Sorry, just a quick-
5 - just to kind of back-- follow up from that
6 question. Has SBS thought of like long-term vision
7 planning-- thought of looking at different ways to
8 create recommendations for small businesses that
9 provide certain services in community that are seeing
10 high rates of retail theft on how they could re-adapt
11 their storefront or re-adapt their stores to better
12 equip the workers there? I immediately think of like
13 a Walgreens and a CVS where they're now locking up
14 every product that they can, and that is just a short
15 response or a small response that even still doesn't
16 curb some of the retail theft that happens. Are we
17 looking as an agency to think-- help them reconfigure
18 and rethink how they can remain within our corridors
19 and our communities with short burst fixes to their
20 locations? And I only ask this, because what a lot
21 of us already know and what we see happen in our
22 communities is the local mom and pop pharmacy, for
23 example, will go out of business because you have two
24 CVSs in proximity, but those CVSs are-- or not to use
25 CVS as the one example, but that type of larger

2 catch-all store then eliminates other mom and pop
3 shops, and when they're ready to leave, because you
4 know, their 10 percent of their sale are being
5 impacted by retail theft, and that is a line item in
6 their operational budget. They also then leave the
7 community with no pharmacy and now no pharmacy within
8 their store which is taking away jobs but also taking
9 away accessibility to critical resources. So, I'm
10 just wondering, are we even thinking larger scale and
11 long-term of how can we help people or how can we
12 make recommendations to different folks on re-
13 adapting their stores to stay within communities?

14 COMMISSIONER GROSS: Absolutely, Council
15 Member. We've thought about that. We've piloted
16 programs. We've done deep consultations with
17 businesses focused on these issues. We have been
18 provided, you know, a grant program a few years ago,
19 you know, Love Your Local, to try and keep legacy
20 businesses in communities by considering what
21 operational adaptations they would need to make, and
22 then providing implementation funding for them to do
23 it. It's hard to scale interventions that deep, and
24 so we also need to think about ways of sharing the
25 learnings about what works across networks. Our

2 industry partnerships are great for that, but I think
3 we'll need to have continued partnership with public
4 safety agencies. NYPD, Community Affairs is very
5 focused on providing advisement for small businesses.
6 You know, they meet regularly, for example, with
7 nightlife businesses to talk about emerging safety
8 challenges. This was prevalent post-pandemic, and I
9 went to my first one of those meetings recently where
10 they actually convened clubs and bar operators and
11 talk to them about how to work with their promoters,
12 how to, you know, work with the precinct to notify
13 them of upcoming events, and otherwise plan and
14 manage their security to create safety for the venue
15 and for their clients. I think what we're seeing now
16 is that there business owners in industries that
17 didn't previously need security that are experiencing
18 some impacts on their corridors and they're trying to
19 figure out how they can manage those costs. I mean,
20 it doesn't-- you know, seeing who is committing the
21 crime doesn't stop it from happening. So, how do you
22 staff? How do you set up, you know, the restaurant?
23 How do you manage the door? So, we're very focused
24 on it, and I would say our Small Business Advisory
25 Commission is amazing in sharing these concerns with

2 us across industries. So, for example, you know,
3 gift card and credit card fraud and how that is
4 affecting small businesses and then we can be in
5 conversation with other partners in the financial
6 sector, financial services sector, about those things
7 happening on the ground here. So, partnership and I
8 expect we'll need to continue working on these issues
9 in the year to come. I'm excited about it, and
10 hopefully also in working in partnership with the
11 Merchant Association, the bodega Association, super--
12 like we also problem solve with the input of those
13 representatives.

14 CHAIRPERSON FARIÁS: Okay, great. Thank
15 you so much.

16 CHAIRPERSON FELIZ: Thank you. Thank you
17 so much. Yeah, great point. And yeah, that might be
18 another big reason why we're seeing a lot of the
19 bigger stores take over on many different matters or
20 products that people sell. I mean, just imagine the
21 smaller stores having to worry about issues related
22 to retail theft, right? Not having the products to
23 sell, how are they going to stay alive. Or equally
24 important, having to spend additional money to, for
25 example, hire security. I've been seeing security

2 guards in stores that, you know, in 30+ years I had
3 never seen, Autozone and those types of businesses.
4 So, just want to, you know-- interesting to analyze
5 that that's playing, the cost that comes with retail
6 theft. So, I'll pass it on to Council Member
7 Paladino.

8 COUNCIL MEMBER PALADINO: Thank you very
9 much. I just want to say to you, thank you so very
10 much. You are awesome. I mean, everything we've
11 done and we've worked together on has been great. To
12 address the issues that have been here today, what I
13 really wish we could do is press a reset button,
14 because everything changed during COVID. Everybody's
15 lifestyle has changed since COVID. So we could
16 address store vacancies to greed and to landlords who
17 own the buildings that they're in still requiring
18 \$15-\$30,000 a month rent. We could also blame COVID
19 for the reasons why people now use Uber Eats and
20 GrubHub, and that-- to the point of bodegas and my
21 corner deli, Cherry Valley, that I go to every night
22 for my half-n-half or bananas or whatever I need.
23 You know, they are now no longer doing deliveries.
24 They are doing GrubHub which takes a big percentage
25 of their money, and it's a-- this is a real battle we

2 are up against. How can we help the small business
3 owner, the mom and pop? They don't have any money,
4 they just don't. So when they go to apply for these
5 business loans, the interest rates are through the
6 roof. We're really in a situation here where I'm
7 guilty as everybody else is about Amazon. They're at
8 my house my three times a week. They deliver my
9 groceries now. I used to go to a grocery every-- you
10 know. We're talking about hard goods. You're
11 talking about, you know, clothing stores. I'm wearing
12 right now, I ordered it online. It's pathetic. I'm as
13 guilty as everybody else is, but we-- we're in a
14 situation where we have to figure this out, bring
15 neighborhoods back. Drum it up. That people in the
16 neighborhoods, you are responsible for participating
17 in keeping your small businesses alive. You the
18 people are responsible for that. It's hard to resist
19 that instant gratification. We, as workers that what
20 we do for a living, we don't often have the time that
21 we used to have. So, to your point, I know you're
22 doing everything that you can. I worry-- I put my
23 notes away. But you know, I see watch list. That
24 word bothers me. When I see-- one of the reasons why
25 we closed our small business -- and we had our

2 business for 30 years. It was a landscaping
3 business. One of the reasons why we closed it was
4 because there were so many constraints being put on--
5 regulations on top of regulations, on top of
6 regulations. It was choking us to death. And we need
7 to watch what we do here, because we want to try to
8 build small business back, not restrain it. so I
9 want to thank you, and I'll be calling you on other
10 things, and we'll talk personally about it, but
11 there's a lot here that needs to be done, but
12 personal responsibility is I think number one. So
13 thank you--

14 COMMISSIONER GROSS: [interposing] thank
15 you so much, Council Member.

16 COUNCIL MEMBER PALADINO: very much.
17 Thank you very, very much.

18 COMMISSIONER GROSS: I really appreciate
19 the small business owners who are part of this
20 Council and are part of this committee in addition to
21 what you see on the ground. I mean, you're talking to
22 your constituents every day, but that lived
23 experience is amazing. I live in Brooklyn in Prospect
24 Lefferts Gardens and I live across the street from a
25 supermarket that was created with a fresh incentive

2 and a re-developed business, and my picture from the
3 pandemic is the social distance line on the sidewalk
4 heading into that supermarket. I mean, so the
5 effective operation of businesses that provide
6 critical goods and services for neighborhoods is also
7 an aspect of resilience, and so we can't forget it.
8 We need them around when things get hard for the
9 city. Those neighborhood businesses provide the
10 access we need.

11 COUNCIL MEMBER PALADINO: those are the
12 ones who suffered.

13 COMMISSIONER GROSS: That's right.

14 COUNCIL MEMBER PALADINO: When COVID was
15 happening, and I'll never forgive this ever, they
16 left Target open. They left Home Depot open. They
17 left all these major chain stores open while we had a
18 corner florist 30 years in business, gone. We
19 watched-- they killed small business by leaving Home
20 Depot open and these big chain stores open. When the
21 corner hardware store-- gone, gone, because we were
22 not allowed to go to them. They were not allowed to
23 stay open. Restaurants were closed or they were--
24 they had to sign a book. I mean, come on, give me a
25 break. There was-- but let's stick with-- forget the

2 restaurants, they're doing fine. Let's stay with the
3 small guy, the little guy, and they killed the little
4 guy. COVID killed small business, and we have to
5 figure out a way to bring it back. I don't know how
6 we're going to do that, because now we're way into
7 this, and I don't know. Whatever we could do to-- we
8 got to work together and figure this out, because
9 every problem has a solution.

10 COMMISSIONER GROSS: Agreed.

11 COUNCIL MEMBER PALADINO: And we just got
12 to figure that out.

13 COMMISSIONER GROSS: Thank you, Council
14 Member.

15 CHAIRPERSON FELIZ: Thank you. Thank you
16 so much, Council Member Paladino, for those questions
17 and comments. Yeah, it seems like, by the way, we're
18 hearing about regulatory compliance and then we shift
19 it quickly to vacancy, but I have a few more
20 questions on vacancies on that same issue. So
21 vacancies and also technology, are we taking any
22 steps to make sure that small businesses could take
23 advantage of the different technologies that we have
24 available? And I guess on the issue of vacancy, this
25 perfect example is not only Amazon, versus the other

2 stores, but also just thinking about the taxi
3 industry, Uber, Lyft versus those smaller mom and pop
4 taxi companies. It seems like Uber just fully took
5 over or took over for the most part from a year to
6 the next. And due to that one single factor, the
7 fact that the smaller companies didn't have good
8 access to technology, something as simple as being
9 able to call a cab through your phone. So, and that
10 would make a great hearing, a future hearing. So,
11 just curious, any steps we're taking to--

12 COMMISSIONER GROSS: [interposing] Council
13 Member, you can't expect me to endorse my oversight
14 hearing topics. This is-- that's a tough one. No,
15 but in the answer to your question regarding-- we do
16 provide Business Solution Center courses. I mean, we
17 provide hundreds of courses every year, and many of
18 them are focused on marketing, including digital
19 marketing. And I think, you know, this is also an
20 area of change. You know, small businesses used to
21 want support launching their own websites. Does that
22 continue to be the most important thing or is it your
23 Google Maps profile? Is it, you know, how you might
24 appear in a delivery app? What is the most efficient
25 investment in order to create access to folks who

2 want to find you on the internet? I think we have to
3 continually innovate. If we want to serve
4 entrepreneurs-- we have to be entrepreneurial. So
5 we're a city agency, but we can't be static and we
6 are constantly trying to learn and adapt our work in
7 that way. But absolutely we are trying to educate
8 businesses about digital marketing. We are also
9 directly connecting them to Link NYC, for example. I
10 think earlier this week Link NYC celebrated its 10th
11 year. we do courses through our Business Solution
12 Centers and through our programs to connect business
13 owners which include brick and mortar businesses and
14 those who operate their businesses virtually, could
15 be an author, home-based businesses-- to the
16 marketing on those Link NYC kiosks, and they've done
17 a fabulous job of creating free access to marketing
18 on those beautiful screens that costs the business
19 owners nothing, and it's also a very easy interface.
20 So, for small business owners they can see the
21 immediate impact of, you know, an investment of time
22 if not money in marketing, have the clients who come--
23 - customers who come in and say I saw you on Linked
24 NYC and they're even further improving that service
25 this year by allowing business owners to add, you

2 know, additional unique features for their business
3 in QR codes so they can track conversion from those
4 screens. So those are some of the ways we're
5 supporting small business owners using technology,
6 also webinars on search engine optimization for small
7 businesses, and we'll continue working to adapt our
8 work in that way.

9 CHAIRPERSON FELIZ: Alright, thank you.
10 Thank you for the information. Back to regulatory
11 compliance now. So, one of the bills we're hearing
12 is Council Member Narcisse's bill to study the cost
13 related to maintaining and keeping-- maintaining and
14 opening up a business. Can you explain your position
15 on that and whether you have any recommendations on
16 the bill? I know earlier you mentioned that it would
17 be a lot, but just curious. Are you supportive, but
18 you're open to modifications, or--

19 COMMISSIONER GROSS: [interposing] Well,
20 I'm supportive of this committee and your focus on
21 small businesses. We're one team as far as I'm
22 concerned. In terms of the city regulatory cost, so
23 the cost for permits and license, both initial and
24 renewal licenses, we already provide that information
25 and it's available to small businesses on the My City

2 Business Portal. I tested it myself last night,
3 because I don't like to come to hearings and then be
4 embarrassed. So you use the little search icon. You
5 put in barber. You want to open a barber shop. The
6 first page that comes up tells you the licenses and
7 permits and the fees associated with them. You want
8 to open a salon, same thing. You want to open a
9 grocery store, that information on those costs, those
10 regulatory costs that the city imposes. The bill
11 goes much further. The bill asks us to look at costs
12 related to small business operations, and those are
13 as vast as the types of businesses, neighborhoods,
14 commercial districts, commercial properties in the
15 City, and I'm not confident that we have the right
16 source of data to report on that. I read your
17 committee report again, because I'm a nerd, and I
18 read all the footnotes in your report, and I read
19 this great study that ANHD did in 2019 about small
20 business tenant harassment, and you know, I'm
21 interested in the design of that study and how many
22 businesses they surveyed, and I believed the insights
23 that are reported on in the full study came from
24 survey responses from less than a 100 businesses,
25 right? So, we serve businesses at-scale through our

2 services. We have a lot of insight based on that
3 service delivery, but when we're looking at very
4 small numbers of businesses, for example accessing
5 the commercial tenant harassment law, it's hard I
6 think and perhaps, you know, unwise to draw
7 conclusions about citywide policy or investments from
8 such small inputs. And so since there's so much
9 diversity in small business operational costs, you
10 know, we'd be looking at very narrow groups of
11 businesses and then trying to draw large conclusions,
12 and I think analytically it's too complex. So we can
13 absolutely provide insight and do provide insight for
14 small business owners in regulatory costs, but the
15 operational costs are I believe so diverse that the
16 study would be so ambitious, and I'm not sure that
17 the results would be usable and reliable. Does that
18 make sense? Kind of? A little bit?

19 CHAIRPERSON FELIZ: Kind of, I guess.

20 COMMISSIONER GROSS: I'm trying. I'm also
21 being honest.

22 CHAIRPERSON FELIZ: Alright, so I guess
23 putting aside the full thorough program or study
24 analyzing everything, if you were to guess based on
25 all the time that you've taken to become a small

2 business owner, some researching the issue, what
3 would be some of the highest costs that stand out
4 related to opening a small business?

5 COMMISSIONER GROSS: Yeah, construction--

6 CHAIRPERSON FELIZ: [interposing] Any two
7 or three items?

8 COMMISSIONER GROSS: It's the renovation
9 of the space to operate the business. I think the
10 period between when a business signs a commercial
11 lease and they can actually open their doors is a
12 very risky business. They've got a lot out-lays, a
13 lot of cost, and no income from operating the
14 business. And so that's why we focus on helping them
15 understand what processes are, sequence them, help to
16 liaison with the regulatory agencies so they can get
17 that DOB inspection, they can get that FDNY
18 inspection. They can work with the utility company to
19 get the account established and get the gas connected
20 so that they're able to open and begin earning money.
21 We know and have heard from our Small Business
22 Advisory Commission and many small businesses, our
23 BIDs, our Chambers of Commerce that small business
24 insurance costs are increasing significantly, and we
25 have seen it in our service delivery. Right now we

2 have a grant program. Our Business Preparedness
3 program, it allows businesses to better understand
4 their risks of either coastal or infrastructure
5 flooding and then provides an implementation grant to
6 help them improve those risks. And we look at their
7 level of insurance and whether or not they're under-
8 insured, and we are seeing a higher level of under-
9 insurance and complete un-insurance in that program
10 this year than we saw in our entire delivery of the
11 Hurricane Sandy grant and loan program. We're hearing
12 it from nightlife businesses, F&B businesses, our
13 industry partnerships. We know that there are
14 concerns about insurance costs and those leave small
15 businesses vulnerable in the case of an emergency. So
16 that will definitely be a focus of greater learning
17 for us this year. We raised it recently in a round
18 table with Senator Gillibrand, and you know, the
19 insurance industry itself is going through
20 significant changes. We see that, you know, in the
21 California wildfires, etcetera, but the impact on the
22 ground here in New York City for small businesses is
23 very significant and troubling.

24 CHAIRPERSON FELIZ: Okay. And on the
25 issue of opening up a business, I know you mentioned

2 permits and renovations, any city-related process
3 that you've seen delay the opening of a business
4 further creating economic issues for that new
5 upcoming business? Recently I heard about, you know,
6 FDNY for example, permits and inspections delaying
7 processes and--

8 COMMISSIONER GROSS: Yeah, I would say
9 every business owner comes to us with a concern or a
10 need, but they really span the small business
11 regulatory agencies. I don't know that there's a
12 particular issue where there's a-- where we think
13 something is broken. If we were observing that in
14 our client services-- we work consistently with the
15 regulatory agencies. They really are our partners.
16 So, for example, all of the members of our NYC Best
17 team receive training from the regulatory agencies on
18 their rules and processes so that we can give up-to-
19 date advice to businesses. Many of our client's
20 advisors are former inspectors themselves, and we are
21 in constant dialogue with the regulatory agencies
22 which themselves, you know, have-- they have a
23 charter-mandated mission, but they also appreciate
24 the importance of small businesses to the City--
25 they're New Yorkers, too, right-- and to our economy

2 and to this administration. So, I'm not aware of
3 like a concentration of challenges with a particular
4 agency's processes. And Natasha is shaking her head.
5 She manages that team and oversees that work and also
6 helps to manage the Small Business Advisory
7 Commission. So, no, I can't point to that, Council
8 Member, Chair Feliz.

9 CHAIRPERSON FELIZ: Okay, cool. So, you
10 know, want to make sure we hear from the Chambers of
11 Commerce and the BIDs and the other small business
12 that are giving us testimony today, so I'll shorten
13 up the list of questions. Briefly, the legal
14 assistance program that we have with the Lawyers
15 Alliance for New York, how much funding is available
16 for that program? How many CBOs have engaged?
17 What's outreach like? Who's responsible for handling
18 the neighborhoods at SBS.gov email which is attached
19 to the program, and also what are the types of legal
20 assistance provided?

21 COMMISSIONER GROSS: So, I believe you're
22 referring to a legal assistance program that's
23 offered to a community-based nonprofits, not small
24 businesses.

25 CHAIRPERSON FELIZ: Yes.

2 COMMISSIONER GROSS: So, you know,--

3 CHAIRPERSON FELIZ: [interposing] Right,
4 yes.

5 COMMISSIONER GROSS: This is our
6 Neighborhood Development Division, and their core
7 strategy is to work with the neighborhood and
8 commercial district focus nonprofit entities that
9 help to create vibrant thriving commercial districts.
10 So, we provide this program to help those CBOs be
11 sure that they're operating in compliance, that
12 they're acting appropriately in their role as
13 employers, that they have access to legal
14 consultation so that they can work effectively as
15 partners with the city and archive their missions.
16 So, that program is not directly for small business.
17 It's kind of for these small business intermediaries
18 and it's a small program. I think the contract is
19 something like less than \$50,000 a year.

20 CHAIRPERSON FELIZ: That was the total
21 funding for that program?

22 COMMISSIONER GROSS: That's it.

23 CHAIRPERSON FELIZ: \$50,000.

24 COMMISSIONER GROSS: That's it, yes. And
25 so those nonprofits can-- you know, they can have a

2 brief telephone consultation with the legal services
3 provider or they can have like a deeper review say
4 of, you know, manuals or policies to see if they're
5 in compliance.

6 CHAIRPERSON FARIÁS: Is that headcount
7 one person?

8 COMMISSIONER GROSS: Say again.

9 CHAIRPERSON FARIÁS: The headcount,
10 what's the \$50K is just the program or is it just for
11 one person--

12 COMMISSIONER GROSS: No, that is not--
13 that is not our PS. It's managed within our
14 Neighborhood Development Division. You know, staff
15 oversee that program and other citywide programs to
16 support CBOs. The \$45,000 goes to the Lawyers
17 Alliance for them to provide that service to
18 nonprofits, and think last year we served about 60--
19 a little more than 60 nonprofits through the service,
20 60 non-- yes, 60 nonprofits. It's not nearly the
21 scale of CLA, and it's also not small business
22 clients. We think it's important. The nonprofits,
23 you know, think it's important, and we're glad we can
24 offer it, but it is a smaller program.

2 CHAIRPERSON FELIZ: Okay, a few questions
3 about the Commercial Lease Assistance Program, really
4 important program, you know, making sure that-- you
5 know, especially given that when it comes to
6 commercial tenants, most of their rights are in the
7 lease and that's it, you know, who's entitled to
8 renewal, the rent increases, if landlord can
9 increase, generally yes. Also, who makes repairs and
10 etcetera, so very important program. According to the
11 FY24 report, most of the businesses were very small
12 businesses, zero to two employees. So, what do most
13 of these businesses seek help with, and also what
14 does that type of help say about the businesses? Are
15 they looking for help starting the businesses,
16 maintaining the business, and also how do they
17 generally hear about the program?

18 COMMISSIONER GROSS: Thank you, Council
19 Member. So, in the Commercial Lease Assistance
20 Program, most clients want a lease reviewed, but that
21 can be an existing lease or it may be a lease that's
22 been presented to them for execution, or they want
23 support understanding or negotiating the terms of the
24 lease before they make a decision about whether or
25 not to sign. We do have some clients that present

2 with concerns about tenant harassment or some type of
3 breach of contract by the landlord. That's about
4 eight percent of the cases in the program. we have
5 some clients who want to get out of a lease, and
6 perhaps the terms in the lease for how to end the
7 lease, you know, are not in line with their current
8 resources and they want support exiting a lease or
9 negotiating an exit from the lease. Other types of
10 matters would be lease renewals, lease amendments, or
11 subletting a lease, or understanding if they should
12 take a lease as a sub lessee, and then we do have
13 some small number of cases that are-- you know, I
14 have an unwritten oral agreement with my landlord and
15 you know, the terms are shifting or there's some
16 challenge with an oral lease agreement. So those are
17 the types of matters that we're tracking in CLA.

18 CHAIRPERSON FELIZ: So, who's responsible
19 for outreach, and how do businesses generally learn
20 about this program?

21 COMMISSIONER GROSS: We are responsible
22 for outreach, my agency and my central outreach team,
23 our marketing team, and we do it in partnership with
24 our Business Solution Centers, and like I said,
25 offering the workshops and clinics about commercial

2 leasing issues is also a way to increase awareness.

3 But any time our field-based teams are doing the

4 work, we're cross-selling. We're cross-selling all

5 of our programs. NYC Best is on a commercial corridor

6 to visit a particular business to do a compliance

7 advisement. They're also going to visit other

8 businesses on the corridor and leave our collateral

9 business cards. If we see a place where a business--

10 you know, there's suddenly paper on the windows

11 because a new business is coming, if you see that,

12 call me. We really want to connect with those

13 businesses during that phase to accelerate the

14 process until they get to opening day and provide

15 these services. So, again, we get a lot of referrals

16 from 311, as well, but also from our outreach and

17 marketing and our vendor's own efforts.

18 CHAIRPERSON FELIZ: Okay, and what has

19 been the feedback from the small business community

20 and also the legal service providers on this issue?

21 And also, what's the data that we analyze related to

22 the services we provide?

23 COMMISSIONER GROSS: We provide or we

24 send all consumers of our business services a brief

25 survey. Once they've completed the service, we call

2 it the Customer Sentiment Survey or the Business
3 Sentiment Survey, and we track results for the
4 program. So, for the CLA program, over 90 percent of
5 surveyed respondents report satisfaction with the
6 program. We also ask if they would recommend the
7 program to other business owners, and they do that.
8 We get referrals from satisfied clients in the
9 program as well.

10 CHAIRPERSON FELIZ: Okay, and one final
11 question on that program. So, we have two providers
12 that provide legal services under that program,
13 right, more or less? Well,--

14 COMMISSIONER GROSS: [interposing] We have
15 one--

16 CHAIRPERSON FELIZ: [interposing] two
17 boroughs, sorry. Providers that--

18 COMMISSIONER GROSS: [interposing] We have
19 one vendor who provides the Commercial Lease
20 Assistance program citywide and they have one
21 subcontractor that supports them in that citywide
22 service delivery.

23 CHAIRPERSON FELIZ: Okay. And generally,
24 communities in Brooklyn and Manhattan have been the

2 most-- the communities that have reached out the most
3 for those types of services.

4 COMMISSIONER GROSS: I think Manhattan
5 and Brooklyn, yes.

6 CHAIRPERSON FELIZ: Any reason why it's
7 these two boroughs and not other boroughs? And also,
8 where are these providers/subcontractors located?
9 Brooklyn and Manhattan, right?

10 COMMISSIONER GROSS: Where their office
11 is located? I mean, I honestly don't know.

12 CHAIRPERSON FELIZ: I think Brooklyn,
13 Manhattan.

14 COMMISSIONER GROSS: But they provide the
15 service at-scale citywide and we have never had a
16 challenge getting coverage, you know, in the
17 Rockaways, in the Bronx by this vendor. So I do
18 believe they're able to effectively provide a
19 citywide service. The distribution of service
20 delivery generally matches the distribution of small
21 businesses in this city with most businesses located
22 in Manhattan and also we see high levels of vacancy
23 and small business turnover and challenges in
24 Manhattan. So I think it makes sense that some of
25 those are, you know, requesting the support of the

2 program and utilizing the service. In Brooklyn we
3 also see, you know, hide new small business creation,
4 but we do attempt to reach clients citywide. I mean,
5 this s in-- we really plan the outreach of our-- the
6 rollout of new services to reach LMI communities, to
7 establish new partners and work with them. So, this
8 is an area of our work we want to further improve. I
9 don't believe, though, that there is unmet demand for
10 this service among Bronx businesses, and if that is
11 the case, we will work to close that gap.

12 CHAIRPERSON FELIZ: Okay. yeah, and
13 while we're talking about programs like this, and I'm
14 always thinking about communities in the Bronx,
15 communities that are obviously very disadvantaged,
16 not only the people that live there, but also people
17 that do business there, a lot of challenges. So, you
18 know, programs like this one is really important
19 making sure that everybody has access, but access is
20 one thing and, you know, easy access. Having these
21 tools at your fingertips, that's another case. So
22 I'll be interested in just thinking about ways we can
23 potentially have a provider in the Bronx just to make
24 sure that people don't have just general access, but
25 you know, making sure that our small businesses in

2 disadvantaged communities have access in their
3 fingertips which is, you know, obviously something
4 that would be very beneficial to needy communities.
5 So I look forward to chatting about that offline.

6 COMMISSIONER GROSS: Thank you, Chair
7 Feliz. We do operate our network of Business
8 Solution Centers citywide, including BSC in the
9 Bronx, and we think that's really important to
10 provide a physical location. Of course, we deliver a
11 lot of services online, but we do have a brick and
12 mortar location, a walk-in service for any business
13 owner, and we do operate them in every borough. So
14 that is also an entry-way for business owners to
15 connect with all of our central services, then the
16 business education and legal consultation resources
17 through those centers as well.

18 CHAIRPERSON FELIZ: Okay. Some final
19 questions related to vendors, and then I guess we'll
20 conclude this part of the testimony so we could hear
21 from the small businesses and BIDs and Chambers of
22 Commerce. A few questions related to vendors. Is SBS
23 the lead agency in conducting street vendor outreach
24 and education? Our vendors are smallest businesses.

2 COMMISSIONER GROSS: I mean, I like to
3 think we're a lead. I mean, we're leaders. There's
4 no formal assignment of responsibility that I'm aware
5 of for small business outreach, but by working
6 closely with advocates in the street vendor
7 community, by working to inform and drive street
8 vendors toward our Business Solution Centers, and by
9 managing a citywide outreach team that is
10 consistently doing on-the-ground research, you know,
11 I think we show leadership in this area. However,
12 even the regulatory agencies do attempt to educate
13 vendors and other small businesses about their work.
14 DOB, you know, has-- well, I guess DOB is the one
15 that's probably the least relevant to street vendors,
16 but I know DSNY and SBS have worked together on
17 street vendor education projects. We certainly work
18 with DOHMH very closely to increase awareness and
19 access to the licenses and permits that street
20 vendors may need to operate. And we participated
21 with them in a mailing also about the supervisory
22 licenses, when these licenses became available. I
23 think there's citywide commitment to spreading the
24 word and education to street vendors, but there are
25 also persistent and systemic challenges. I would say

2 that, you know, we try to show leadership in
3 outreach, but we don't have a formal assigned
4 responsibility for that outreach.

5 CHAIRPERSON FELIZ: Okay. Talk to us
6 about the New York City Business Express Services
7 Team. What are the goals of the program? How many
8 staff members are part of the program? Also, how
9 many compliance advisors under the program and small
10 business advocates?

11 COMMISSIONER GROSS: Okay, for this, this
12 is fun, because Natasha's been sitting here this
13 whole time--

14 CHAIRPERSON FELIZ: [interposing] Yes,
15 finally--

16 COMMISSIONER GROSS: and Natasha is the
17 Assistant Commissioner who leads this work, and so
18 she's pointing me to the place in my binder, but I'd
19 almost rather her talk a bit about the work of the
20 NYC BEST team because she does an excellent job of
21 leading that work for SBS.

22 ASSISTANT COMMISSIONER JOSEPH: Good
23 afternoon. So, NYC BEST is focused on helping
24 business owners navigate government and what that
25 means is helping them understand all the city

2 agencies they'll have to interact with along the
3 course of opening and operating their business. We
4 do that through one service-- or one team, two
5 services. That's the small business advocates and
6 the compliance advisors. The small business
7 advocates are dedicated to helping business owners
8 understand their licensing permits and how much
9 that'll cost, renewing, what's the sequence of
10 renewing your permits and licenses, and then
11 compliance advisors are kind of a sub-service to
12 steal [sic] from business owners who are looking to
13 get somebody into their space and understand what
14 exactly it is that they would be-- you know, get a
15 violations for in the event that they do get a
16 violation or that they could get a violation. And at
17 the end of that service, they're able to get a check
18 list of common violations that, you know, they may
19 receive a violation for. So, they can understand how
20 to correct it, and they provide that education. So,
21 we do have 13 members of the team. That include an
22 Executive Director and a Director. There are six
23 compliance advisors and five small business
24 advocates.

2 CHAIRPERSON FELIZ: Okay, yeah. Thank
3 you for the very specific information. How many
4 businesses were-- how many of the businesses assisted
5 were street vendors attended last year, too? If
6 there were any?

7 ASSISTANT COMMISSIONER JOSEPH: We do not
8 track street vendors. The service is mainly for
9 storefronts, but if we do see street vendors who need
10 some kind of advice or ask a question, we do assist
11 along the way.

12 CHAIRPERSON FELIZ: How many general--
13 total businesses that you assisted regardless of the
14 type of business they are?

15 ASSISTANT COMMISSIONER JOSEPH: Total
16 businesses, on fiscal year 24, last fiscal year, we
17 serviced almost 3,000.

18 CHAIRPERSON FELIZ: 3,000 businesses.
19 And what are the general topics that you assisted
20 them on?

21 ASSISTANT COMMISSIONER JOSEPH: The
22 topics range from understanding where to place your
23 fire extinguisher to utilities support. So if
24 there's issue with utilities we assist with that as
25 well. We help them understand if they receive a

2 violation how to manage that process through OATH. So
3 there's a variety of services. We connect them to
4 services to our BSC, the Business Solution Centers,
5 but mainly the top three I would say are permits and
6 licenses and inspection support as well as government
7 regulation guidance, understanding you know, what a
8 regulation is and why they need to comply with it,
9 and then the compliance-- actual compliance
10 consultations are the top three.

11 CHAIRPERSON FELIZ: Any specific support
12 for street vendors that you provided that you could--
13 that stand out?

14 ASSISTANT COMMISSIONER JOSEPH: Through
15 NYC BEST in your community we do provide some support
16 where we see the need. I will say we've partnered
17 with DEP in the past. For example, they did some
18 outreach just to get vendors information about things
19 like, you know, where to dispose of their grease and
20 their oil and the chemicals, things like that. So we
21 do partner with other agencies where there is
22 education necessary for street vendors.

23 CHAIRPERSON FELIZ: Okay.

24 ASSISTANT COMMISSIONER JOSEPH: Oh, I'm
25 sorry. We also have one more thing I would like to

2 talk about or mention that we have a boot camp.
3 Small Business Advisory Commission had a
4 recommendation a couple-- two years ago, and we
5 launched the NYC BEST Boot Camp. It has nine modules.
6 One of those modules is directly targeted to outdoor
7 vending, and we actually had our last module for
8 that-- today.

9 CHAIRPERSON FELIZ: Got it. Okay. Any
10 other questions? Alright, no more questions. Thank
11 you so much for all the information. Thank you for
12 joining us today, and also thank you for all the good
13 work you do supporting our small business. Look
14 forward to continuing working together.

15 COMMISSIONER GROSS: Thank you. This was
16 fun.

17 CHAIRPERSON FELIZ: It was, yeah.

18 COMMISSIONER GROSS: I like talking with
19 you. I wish I could stay to hear our advocates. I'll
20 keep a member of my team here. Some of the flurry of
21 notes where things I'm missing to be part of your
22 important conversation, so my apologies for leaving
23 now, but I'll keep a member of my team here.

24 CHAIRPERSON FELIZ: Okay, that's fine.
25 Thank you so much for joining.

2 COMMISSIONER GROSS: Thank you.

3 CHAIRPERSON FELIZ: And that-- the
4 hearing related to technology stuff, that's a
5 promise. Alright, I now open the hearing for public
6 testimony. I remind members of the public that this
7 is a government proceeding and that decorum shall be
8 observed at all times. As such, members of the
9 public shall remain silent at all times. The witness
10 table is reserved for people who wish to testify. No
11 video recording or photography is allowed from the
12 witness table. Further, members of the public may
13 not present audio or video recordings as testimony,
14 but may submit transcripts of such recordings to the
15 Sergeant at Arms for inclusion in the hearing record.
16 If you wish to speak at today's hearing, please fill
17 out an appearance card with the Sergeant at Arms and
18 wait to be recognized. When recognized, you will
19 have two minutes to speak on today's oversight
20 hearing topic, legal and regulatory challenges
21 affecting small businesses or on any of the following
22 bills attached to the hearing including Intro 449,
23 Intro 1082 and Introduction 1132. If you have
24 written statement or additional written testimony you
25 wish to submit to the record, please submit a copy of

2 that testimony to the Sergeant at Arms. You may also
3 email written testimony to testimony@council.nyc.gov
4 within 72 hours of the close of this hearing. Audio
5 and video recordings will not be accepted. For in-
6 person panelists, please come up to the table once
7 your name has been called. I'll now call the first
8 panel, two of them which are not with us currently,
9 Lisa Sorin from the Bronx Chamber of Commerce, Randy
10 Pierce [sp?], Jessica Walker, Lindsey Vigoda, and Ian
11 Stern. I think they might have left. Alright, I
12 think we could start with the Bronx Chamber of
13 Commerce. We'll have everyone testify, and then
14 we'll ask questions to the panel. So, you'll just
15 start with the Bronx Chamber of Commerce. Lisa Sorin,
16 greet to see you.

17 LISA SORIN: Good afternoon and thank you
18 Chairman Felix-- Feliz, sorry. It's a long day. And
19 Majority Leader Fariás. My name is Lisa Sorin,
20 President of the Bronx Chamber of Commerce. I thank
21 the Council for ensuring that challenges faced by
22 small businesses are of paramount concern when
23 considering new legislation, particularly businesses
24 in the outer boroughs which are too often forgotten.
25 I would be remiss if I did not take this opportunity

2 to highlight the importance of ensuring continued
3 funding for the Small Business Resource Network in
4 the upcoming budget cycle. This crucial program
5 provides free, personalized support to help
6 businesses grow and thrive, and to-date has reached
7 over 53,000 businesses across the City. The Chamber
8 is pleased to support Intro 182 which requires SBS to
9 conduct a study of many fees and costs required to
10 start and maintain a small business with the
11 intention of identifying ways to reduce and offset
12 [inaudible]. The Chamber strongly supports Intro
13 1132 which requires SBS to determine most-common type
14 of regulatory violations issued to businesses in each
15 community district. Your bill proposes a helpful
16 solution that needs to be implemented swiftly. Many
17 believe that certain commercial corridors are
18 disproportionately targeted, and this is a needed
19 step towards ensuring fairer enforcement practices.
20 We also have reviewed Intro 0449 which requires SBS
21 to establish a commercial landlord watch list. It is
22 introduced by Council Member Stevens who has been an
23 unwavering advocate for the Bronx and our small
24 businesses, and we sincerely appreciate her continued
25 care and attention to the challenges faced by

2 entrepreneurs and property owners in our communities.

3 Done?

4 CHAIRPERSON FELIZ: You can use another--

5 LISA SORIN: [interposing] Oh, thank you.

6 CHAIRPERSON FELIZ: 20 seconds to

7 conclude.

8 LISA SORIN: While we recognize and

9 support the intention of the bill to weed out bad

10 actors, landlords, and ensure safe, fair conditions

11 for tenants. We do have concerns about some of the

12 bill's language and its potential impact on small

13 commercial property owners. We would ask that this

14 bill language be further clarified including specific

15 parameters and definitions, clarity on enforcement,

16 transparency, and a commitment to due process. We

17 look forward to working with the Council to ensure

18 the needs of both tenants and property owners are met

19 in a fair and balanced way. Thank you for this

20 opportunity today, and thank you for focusing on the

21 Bronx.

22 CHAIRPERSON FELIZ: Thank you. Thank you

23 so much. Now we'll hear from Jessica Walker.

24 JESSICA WALKER: Hi. Thank you. So, we-

25 - today, I really want to strongly support Intro

2 1132. Today, we released an issue brief that tried
3 to look at what's happening on the ground, and it
4 shows that summonses issued by the Department of
5 Consumer Affairs and Worker Protections jumped by 171
6 percent between fiscal year 2023 and fiscal year
7 2024, 171 percent. In addition, the amount of small
8 business fines collected have been increasing and are
9 higher now than they were pre-pandemic levels. We
10 don't know why this is going up, particularly when
11 Mayor Adams has implemented real measures to try to
12 bring down small business fines. Last September,
13 when I asked the Department, DCWP, for data that we
14 could analyze, I was directed to the City's Open Data
15 Portal. That data was in such bad shape that the
16 data expert that I conferred with said it really was
17 not useful unless there was a ton of clean-up. That
18 of course, would take a lot of time and money. So,
19 we know very little about where this-- where these
20 business fines are being issued and for what, and if
21 we do know more about it, organizations like ours and
22 many others can send our outreach staff to the area
23 to provide education and help businesses comply with
24 the laws. It sounds like from the testimony today
25 that SBS does not have the capacity to do this, but

2 you might want to consider going straight to the
3 source and requiring DCWP and the Health Department
4 to start releasing their data in a way that is
5 actually useful, some of the things that are outlined
6 in the legislation. lastly, I just want to let you
7 know we do a lot of the outreach with the Small
8 Business Resource Network, and the top five business
9 needs that we have identified out there right now are
10 technology, financing, marketing, business strategy,
11 and navigating city and state agencies. Happy to
12 always work with you. Thank you.

13 CHAIRPERSON FELIZ: Thank you. Next is
14 Lindsey Vigoda.

15 LINDSEY VIGODA: Thank you, Chair and
16 members of the Committee. My name is Lindsey Vigoda
17 and I'm the New York Director of Small Business
18 Majority, a national small business organization with
19 offices many places, but especially here right in New
20 York City. We empower our diverse entrepreneurs to
21 build a thriving and equitable economy. I'm happy to
22 be here today in support of Intro 1132. This is a
23 crucial step to support small businesses across the
24 City with tools they need to thrive by providing
25 transparency, guidance, and ultimately a game plan

2 for small business outreach to avoid these fines.

3 Right now, city-- small businesses across New York

4 City are struggling to navigate a confusing,

5 burdensome and seemingly ever-changing landscape of

6 regulations. This often makes it difficult for well-

7 intentioned local businesses to be in compliance,

8 resulting in unexpected penalties that affect their

9 bottom lines. This ultimately slows business down

10 which is harmful to our entire community. Most

11 business owners in our network have fewer than 10

12 employees, if they have employees at all. Their

13 expertise is in their product or their service, not

14 in tracking compliance issues, and what I've seen in

15 my career as a small business advocate is that small

16 businesses don't often have the legal or human

17 resource systems to help track these constantly

18 changing landscapes of mandatory rules and

19 regulations. This leaves well-intentioned

20 entrepreneurs at risk of being misinformed and

21 subject to fines that affect their ability to

22 maintain and grow their business. This city thrives

23 on diverse and local small businesses. They are the

24 heart of each borough and the character of each

25 neighborhood. Running a business is already

2 difficult enough, and we need to create a community
3 and a system that allows them to remain compliant and
4 thrive. So we must create more transparency so we as
5 advocates and you as local officials can understand
6 how fines are being implemented and how we can work
7 together to support entrepreneurs. Small Business
8 Majority is very excited to be here and work with you
9 all. Thank you.

10 CHAIRPERSON FELIZ: Thank you. Thank you
11 so much. Next is Ian Stern.

12 IAN STERN: Good afternoon, Chair Feliz
13 and members of the Committee. Thank you for the
14 opportunity to speak today. My name is Ian Stern. I'm
15 representing Justin Rodgers, President and CEO of the
16 Greater Jamaica Development Corporation or GJDC. Mr.
17 Rodgers sends his regrets for being unable--

18 CHAIRPERSON FELIZ: [interposing] Sorry,
19 we can reset. Sorry about that.

20 IAN STERN: Mr. Rodgers sends his regrets
21 for being unable to attend, and I'm honored to
22 present this testimony on his behalf. GJDC strongly
23 supports your proposed bill Intro 1132 to enhance
24 fine transparency for small businesses. The
25 legislation directly addresses a critical concern

2 shared by the business community and aligns perfectly
3 with GJDC's mission to foster economic growth and
4 opportunity in southeast Queens. As an active
5 participant in the five boroughs jobs campaign, we
6 understand firsthand the challenges small businesses
7 face navigating New York City's intricate regulatory
8 landscape. The current system of fines and
9 regulations often lacks clarity, creating an
10 environment where unintentional non-compliance is
11 common. These resulting penalties disproportionately
12 impact small businesses, hindering their operations,
13 growth and ultimately their contribution to our
14 city's economy. For over 50 years, GJDC has served
15 the small businesses of southeast Queens. Through
16 this extensive experience, we've consistently
17 witnessed regulatory challenges, especially fines, as
18 a major source of stress and financial strain for
19 business owners. This bill offers a practical and
20 much-needed solution. The proposed annual review of
21 fines levied on businesses citywide is a crucial
22 step. This data-driven approach will provide
23 valuable insights into trends, identify
24 disproportionately impacted sectors and neighborhoods
25 and enable targeted interventions and support. This

2 analysis will not only inform policy decisions, but
3 also guide resource allocation to where it's most
4 needed. We believe that fostering a supportive
5 environment for compliance is paramount. Increased
6 transparency is essential to building trust between
7 small businesses and the city, empowering them with
8 the knowledge and resources necessary to navigate
9 regulations confidently. This bill recognizes the
10 fundamental role small businesses play in our
11 neighborhoods and our city's economic vitality. By
12 passing this legislation, we demonstrate our
13 commitment to ensuring these vital businesses receive
14 fair treatment and the support they deserve. GJDC is
15 eager to partner with you, the Council, and other
16 stakeholders to advance this important reform. By
17 working together, we can safeguard and strengthen
18 small businesses across all five boroughs, creating a
19 more vibrant and equitable economic landscape for all
20 New Yorkers. Thank you for your leadership and
21 dedication to this important issue.

22 CHAIRPERSON FELIZ: Thank you. Thank you
23 so much everyone for your testimony. Quick question
24 for all of you, and I guess answer only if you want
25 to and if you have information related to it. What

2 are fines that you hear about in the commercial
3 corridor that you work in that are constantly
4 negatively affecting the small businesses that you
5 work with, I guess if there are any fines that come
6 to mind? Inspections? Sanitation? Well, not
7 inspection. Sanitation? Loud music for nightlife
8 establishments?

9 JESSICA WALKER: Yeah, I mean, it's all
10 of the above, right? They come to us when they're
11 looking for an advocate to help them. So we do see
12 everything. But part of the wanting to get this data
13 is to really see, you know, if what we're seeing
14 anecdotally, we might be missing a whole bunch. I
15 mean, that's why we really need this bill, as you
16 know.

17 IAN STERN: I think from the Department
18 of Consumer Affairs and Worker Protection and
19 Department of Buildings top with the Health
20 Department followed right behind. But part of your
21 legislation which for us is even more important is
22 the fact that corridors, they keep hitting the same
23 corridors over and over again within weeks of each
24 other, and that's probably one of the biggest
25 concerns we have, because we try to work with, send

2 out our outreach team, but the constant pinpointing
3 of corridors is concerning, and it speaks exactly to
4 your bill where it's happening, why it's happening,
5 what kind of bills are taking place.

6 LINDSEY VIGODA: Thank you for the
7 question, and I echo everything Jessica said, but I
8 think something to consider is businesses who are
9 involved in our groups often are folks who are more
10 engaged, and we are missing a huge population of
11 small business owners. So I think that's why it's so
12 crucial, because this data really will highlight
13 where we're missing anecdotally, but I can't echo
14 enough what y'all said, all the-- of the complaints
15 and above.

16 CHAIRPERSON FELIZ: Okay. Well, thank
17 you so much, everyone. Thank you for joining us
18 today and for your testimony. Alright, next we'll
19 hear from the New York City Hospitality Alliance,
20 Andrew Rigie, Robert Bookman, and Max Bookman.
21 Alright, good to see you all. You can--

22 UNIDENTIFIED: [interposing] Nice to see
23 you.

24 ANDREW RIGIE: Nice to see you. Alright,
25 I'll be fast. I'm on the clock. Andrew Rigie, New

2 York City Hospitality Alliance. We represent
3 restaurants, bars, and nightclubs. First thing I'd
4 say, thank you. You've been a huge advocate of small
5 businesses. I'd say one thing is the City needs to
6 send a message, when there's joint committee hearing
7 getting business owners like we want Council Members
8 to be able to hear this. So, we hope you take
9 everything back to your colleagues and really push.
10 I'm going to have six points and my colleagues are
11 going to put-- you know, get into detail. Community
12 Board and 311 were formed. Community Boards, and I'm
13 on one, have become too bureaucratic. There's
14 different applications. It creates a lot of different
15 challenges for small businesses. 311 reforms, a lot
16 of bogus complaints that can result in violations.
17 People making bogus complaints should have penalties.
18 The scaffolding, I know the Council's been working on
19 these bills. I'm not sure exactly where they are, but
20 when scaffolding goes up, small business revenue goes
21 down. Get these bills passed. There can also be
22 more reform. Labor Law compliance-- before the
23 Commissioner was talking about the commercial lease
24 review support they provide. There's lots of labor
25 laws-- huge liability, very complex. Labor lawyers

2 are very expensive. Provide complimentary labor law
3 consultations for small businesses to comply with all
4 the changing laws which is a huge headache, a huge
5 problem. My colleague Rob Bookman is an expert in
6 outdoor dining. He's going to represent six
7 different reforms for the new outdoor dining program,
8 making it better, more inclusive, and build on the
9 good aspects of the new program compared to the pre-
10 pandemic sidewalk café law. We're talking about
11 reducing fines. Easy. You don't need all the data.
12 It's good to see, but every single violation that
13 does not provide or present an immediate hazard to
14 the public or to workers should allow for a warning
15 or a cure period. It's very simple. You could
16 significantly reduce them. When it comes other things
17 like taxes, repeal the commercial rent tax. I have
18 information in the testimony. There's also this New
19 York City-only liquor license tax. It was repealed
20 for a portion of the pandemic. It's a couple hundred
21 bucks a year, but it's a couple hundred bucks a year.
22 It helps small businesses. Permanently repeal that.
23 Streamline permitting and licensing so businesses can
24 get open and expand faster. And then my colleague

2 Max is going to talk about fixing OATH's broken
3 remote hearing system. So, that was six--

4 UNIDENTIFIED: [interposing] You got 19
5 seconds.

6 ANDREW RIGIE: Now, I'd say I think it
7 would be great to be able to get a lot of small
8 business owners and talk about different solutions.
9 You know, we know what the problems are, and these
10 six things or seven items that I present in my
11 testimony as things we know will work, we know will
12 make changes. There are things that have been
13 developed over years and years of seeing the problem.
14 So, we just need them to be turned into bills and get
15 them passed, and thank you.

16 CHAIRPERSON FELIZ: Thank you so much.

17 ANDREW RIGIE: You're welcome.

18 ROBERT BOOKMAN: I'm Rob Bookman. I don't
19 speak as fast as Andrew, so if you'll give me an
20 extra 30 seconds. Mostly wanted to talk about
21 sidewalk café reform and what needs to be done there.
22 But before that, I want to say that 30 some odd years
23 now ever since I left city government, Department of
24 Consumer Affairs, I've been testifying before this
25 committee and this council on small business issues,

2 and we are much better than we were decades ago. No
3 question about it. You people are now talking the
4 talk and you're walking the walk. But, as Andrew
5 said, there's a lot to do and there's a lot more that
6 can be done. The cost of doing business is too damn
7 high. The fines are too damn high. The regulatory
8 burdens is too damn high, and there are specific
9 things we could do to address all of that. Sidewalk
10 cafés, we work together with the Council and two
11 administrations to come up with a new permanent café
12 law. It was supposed to be faster, easier, less
13 expensive, and more democratic, meaning five
14 boroughs, not just focused on Manhattan like the old
15 law was. It has failed. We-- and we're going to
16 need-- when it comes up to one year in this spring
17 and we're going to see the failures on the ground,
18 we're going to need to sit together and address why
19 it failed and what we could do to change it. Why do I
20 say it's failed? Because only about 20 to 25 percent
21 of the restaurants that participated in the emergency
22 program even bothered filing applications. That's
23 pretty shocking. And we know that hundreds of those
24 are going to be denied, because they-- you know, they
25 don't meet the new standards. Other hundreds we've

2 already found out from DOT never finished their
3 application, because we're now finding out it's going
4 to be so expensive, especially in roadway, to take
5 down dining and put it back up, and these businesses
6 that they've had, you know, on their marketplace are
7 way too expensive. There's not more than a few
8 handful of rich Manhattan restaurants that can afford
9 it. So, they may have filed, may be one of 2,600
10 establishment shave filed, but we know hundreds of
11 them are not going through with the process at all.
12 So we started with 1,400 licensed sidewalk cafes
13 under the old cumbersome Manhattan-centric claw
14 [sic]. I don't know that we're going to wind up with
15 many more establishments than that, and that is a
16 failure. We need-- quickly, give me 30 seconds. We
17 need year-round roadway dining options which would
18 make it more affordable. Thirty-eight percent of the
19 people in the survey-- we surveyed 500 restaurants
20 who did not apply, asked them way. Thirty-eight
21 percent said because they needed a year-round option.
22 Another 40 percent said the clearances, the rules
23 that DOT passed were too restrictive compared to the
24 old rules and so they weren't able to get enough
25 tables and chairs to bother the expense, you know,

2 for flying. The application process is the third
3 thing that people cited. Thirty-one percent said it
4 was too cumbersome. It was online only. Lots of
5 small immigrant business owners in the boroughs could
6 not figure it out. They didn't know how to upload
7 and download and give pictures, and there was no in-
8 person option. There's no excuse for not having an
9 in-person option for a business-- small business
10 owner to come in with their application papers, have
11 it looked over. Scaffolding is-- how DOT is
12 interpreting scaffolding is hurting more cafes, and
13 the processing time is way too long. You guys and
14 your staff worked with us to try to reduce the six
15 months that it took under the old law, and we thought
16 we had improvements, but it's just not turning out
17 that way. So we need to work on it, both the roadway
18 and the sidewalk. So, it is what we hoped it to be,
19 not just Manhattan-centric but everywhere, and not
20 just big restaurants, but mom and pops as well.

21 MAX BOOKMAN: thank you. Max Bookman.

22 I'm an attorney with the Alliance, but in my private
23 practice I also represent small businesses in a
24 number of matters including summonses violations, and
25 we've been talking about business fines. I want to

2 talk about an aspect of business fines that is maybe
3 going unnoticed which is a problem, and it has to do
4 with OATH, the Office of Administrative Trials and
5 Hearings, where all the summonses, fines, summonses
6 get adjudicated. About two years ago OATH made a
7 small but incredibly consequential change which is
8 driving up business fines, and it has to do with a
9 cumbersome and confusing process related to
10 challenging those summonses. Before COVID it was
11 easy. You got a summons. There was a date on the
12 summons. You showed up to court on your date and you
13 could challenge your summons at a hearing, or you
14 could pay the fine right then if you wanted to.
15 During COVID, understandably they had to move to a
16 remote hearing system. Understandable. Since COVID,
17 they've kept the remote hearing system which has a
18 lot of convenience to it. Remote hearings are good
19 for small business owners, but these summonses are
20 filled with fine print, and it's not made clear to
21 small business owners that you are A., required to
22 have a remote hearing. So, people are still showing
23 up to OATH and being turned away because they say oh
24 sorry, you're supposed to have a remote hearing. But
25 B., more importantly, OATH has created this extra

2 step where when you get a summons and you want to
3 have a hearing which must be remote, you've got to
4 contact OATH in advance to schedule that hearing, in
5 advance of the date on your summons. So if your
6 summons says December 1st is your hearing date, if
7 you call them on November 29th, they're going to tell
8 you sorry, it's too late. You have to go-- you were
9 supposed to call earlier. So it's cumbersome and
10 confusing. You get this tiny window between three to
11 seven days to schedule your hearing. And what we're
12 seeing seems like a silly little thing really in the
13 weeds. But what we're seeing is a massive increase,
14 at least anecdotally in the number of defaults.
15 People who want to go to a hearing and challenge
16 their summons, but are unable to because they're
17 basically locked out of the hearing. It's something
18 that's deserving of oversight and we think that if
19 you request from OATH data on the number of defaults,
20 default decisions, since they enacted this new
21 policy, we'd be shocked to see if it hasn't
22 skyrocketed because of this. It's deserving of
23 oversight.

24 ROBERT BOOKMAN: And understand, defaults
25 equals higher fines than if you went to hearing and

2 were found guilty, generally, because the ALJ has a
3 certain amount of discretion. Many of the fines that
4 you pay us and statutes have a range, you know, but
5 default is set by their regulation. So more
6 defaults, more fines for small businesses, more
7 frustration.

8 CHAIRPERSON FELIZ: So, what do you think
9 would be the reasonable period for asking for that
10 remote hearing?

11 MAX BOOKMAN: There needs to be-- it
12 needs to be day of. That's how it was before COVID.
13 There needs to be a way-- and there's technology that
14 allows this, this is not complicated technology-- to
15 be able to log into your remote hearing on the day of
16 the hearing. If it's printed on the summons that, you
17 know, February 1st is the date of the remote hearing,
18 you need to be able to on February 1st be able to
19 long in and have your hearing, not have to call three
20 to-- you know, no fewer seven than day, but no less
21 than three days in advance. It's just not working.

22 ROBERT BOOKMAN: And you get a pin and
23 then you have to-- you forget your pin, you're
24 defaulted there. I mean, it's-- we're lawyers and
25 representing people and it's a nightmare. We have

2 clients come to us the day before saying I'm sorry I
3 took so long, Mr. Bookman, I got this hearing
4 tomorrow. Could you come to me with OATH, and we say
5 it's too late. We had to three days ago request a
6 pin, and now we have a-- and now it's a default and
7 now you got to wait to you get to default, and then
8 you got to make a motion to set aside the default,
9 and if you know how to do that just to go around all
10 again. So, it's causing--

11 MAX BOOKMAN: In outer borough businesses
12 we actually see it the most. Talk about Fordham
13 Road, I mean we have a lot of clients who we
14 represent on Fordham Road, small businesses, side
15 walk newsstands, things like that. And you know, A.,
16 the language is a barrier, even though the summonses
17 have something in the bottom that says you can call
18 the number to get it translated. You know, what they
19 see is they see a summons. They see a date, and they
20 figure okay, that's the date I have to deal with this
21 and it-- so it, again--

22 CHAIRPERSON FELIZ: [interposing] Right,
23 right.

24

25

2 MAX BOOKMAN: it's a small thing. It's
3 deep in the weeds, but it really, really makes a
4 difference.

5 ROBERT BOOKMAN: And let me answer your
6 question about fines from the other panel, if you
7 don't mind. I have been for 10 years, the City
8 Council-- one of the City Council appointees to the
9 Health Department Advisory Board, and in preparation
10 for this hearing, I wanted-- I asked them to give the
11 most recent fiscal year total amount of fines, you
12 know, that-- so I could compare it to historical
13 data. I hope to present it to you. And I'm on the
14 Health Department Advisory Board as City Council
15 appointee, and they still haven't gotten me the data.
16 you know, I do know at the beginning of the Bloomberg
17 Administration-- going back in time-- the annual
18 fines for Health Department was \$12 million a year,
19 and that's when New York City still was one of the
20 greatest food places in the world. It really started
21 hitting the fan by the end of his third term when it
22 was \$52 million a year for the same industry. You
23 guys then started to pass a variety of laws, you
24 know, requiring lower fines and warnings and stuff
25 like that. Last data I got, you know, which was pre-

2 COVID, they were down to like around \$22 million a
3 year in fines which is still \$10 million a year more
4 than it was before. We get-- as part of this
5 advisory board, we get the top 10 violations. It was
6 in the statute. They must present it. It's the same
7 exact top 10 violations year after year, decade after
8 decades, almost to the tenth of a percentage.

9 There's something wrong there. You know, either in
10 their education programs, or more likely that there
11 are certain things that they give you fines for that
12 are just endemic to operating a restaurant. Doesn't
13 make you unsafe or unsanitary. It just means it is.
14 So there's just some water, you know, underneath the
15 dishwashing station. No kidding, you know? That's a
16 fine. That's points. You know, on a hot day in the
17 back of the restaurant which is 20 degrees hotter
18 than it is outside, somebody's taking-- drinking a
19 glass of water. That's a fine, because it wasn't in
20 a little kid's sippy cup, you know? There's all
21 kinds of stuff like that that's built into the system
22 that even if they're trying to operate, you're
23 talking \$20 million dollars a year fines out of the
24 restaurant industry without saying-- our industry

2 certainly has no reputation in New York City as being
3 unsafe.

4 ANDREW RIGIE: I think also, if you want
5 to look at the reports of the fine reform that you've
6 done in the past. You know, often the fines have a
7 range. You know, \$200 to \$1,000, and a lot of the
8 reforms have reduced the maximum fine of say \$1,000
9 to \$750, and it sounds good, oh, we're reducing
10 fines, but I'd be very interested to look to those
11 violations and how often they were even issuing the
12 \$1,000 fine. You know, if they're issuing that same
13 violation and it's \$500 each time, you're not really
14 reducing fines. You're saying you're reducing the
15 top fine amount, but are you actually reducing fines?
16 And that was a significant number of the violations
17 in a couple of the different reform packages in the
18 past. Maybe it's reduced a little bit, but I
19 wouldn't be surprised. That's why the warning in the
20 cure period. If it doesn't pose an immediate hazard
21 to the health, you have 30 days to fix something,
22 cure it, and then you don't get a fine.

23 CHAIRPERSON FELIZ: Right, yeah.

24 ROBERT BOOKMAN: That's how the State AG
25 [sic] markets does it with all the businesses they

2 regulate. They come in, they see something wrong.
3 They say this is what's wrong. We'll be back in a
4 week, two weeks, 30 days. It needs to be corrected.

5 ANDREW RIGIE: And the Fire Department
6 even does that with a lot of things.

7 ROBERT BOOKMAN: Yeah.

8 CHAIRPERSON FELIZ: Okay, no super
9 informative. I'll make sure to take a hard look at
10 all those issues. And yeah, I guess we'll continue
11 chatting about those different topics.

12 ROBERT BOOKMAN: one quick idea, just
13 sitting here--

14 CHAIRPERSON FELIZ: [interposing]
15 Including the [inaudible] too.

16 ROBERT BOOKMAN: One quick idea, sitting
17 here with you, because you were asking a lot of
18 questions about how SBS does outreach, and you know,
19 I was impressed, you know, they're trying. But it
20 does seem to me that there are three city agencies
21 that are the entry point for most small businesses
22 going into business: Health Department, Consumer
23 Affairs, and Buildings Department. I'd say probably
24 80 percent of small businesses, that's one of the
25 agencies they're going to first. If you required

2 those agencies at that first contact with a new small
3 business to provide all that SBS information about
4 all the services that are available, you know, it
5 might give them more exposure.

6 CHAIRPERSON FELIZ: Yeah, okay, of
7 course, that's good. Thank you so much. Really
8 appreciate--

9 ROBERT BOOKMAN: [interposing] Thank you.
10 Thanks for listening.

11 CHAIRPERSON FELIZ: your testimony. Thank
12 you so much for joining us today. Alright, we have a
13 third panel, and then we'll go to those that are
14 joining us via Zoom. Norine Medas? Ahyoung Kim, and
15 Andrea Tan. Alright, whenever you're ready we'll
16 start with Norine and then Ahyoung and then Andrea.

17 NORINE MEDAS: Good afternoon [inaudible]
18 Chair. My name is Norine Medas. I'm the founder and
19 the-- Council Chair, my name is Norine Medas, the
20 founder and the Executive Director of the Canarsie
21 Merchants Association. I am here to share comments
22 directed towards the proposed bill 1082, proposed by
23 my Council Member. The Canarsie Merchants
24 Association is commerce plus community. We're on a
25 mission to continue to support the local merchants as

2 well as entrepreneurs and the community. We were
3 formed through the pan-- out of pandemic partnerships
4 and as a result we continue to provide services to
5 the-- not only to the merchants as well as the
6 community. The Canarsie Merchants Association's
7 advocacy continues with identifying services to
8 assist local business owners, MWBEs, with the
9 opportunity to start as well as to maintain a
10 business in Canarsie Brooklyn and beyond. As we've
11 discussed here, businesses starting during COVID have
12 been met with so many different challenges. Business
13 start-up costs can just initially start with about
14 \$10,000. That's a huge investment that businesses
15 are only-- are investing in getting their business
16 started. So, a review of the initial fees and costs
17 to start a business in New York City is needed at
18 this time. And I certainly agree with the last
19 person that spoke, and it's something I've been
20 thinking about for a while. If we were able to reach
21 business owners prior to even starting or even as
22 they're beginning to start, that will certainly make
23 a difference. Our initial funding is really coming
24 through the generosity of Council Member Narcisse--
25 thank you-- which has allowed us with partners as

2 Brooklyn Chamber of Commerce to-- Brooklyn Chamber of
3 Commerce small business grant, SBS grants, that have
4 allowed us to do this work. Partners like [inaudible]
5 have allowed us to be able to reach the small
6 businesses. In terms of outreach in Canarsie, we
7 have 326 small businesses. We also are projected by
8 2027 to generate about \$2.6 billion. That's in a CDA
9 report that was done through funding through SBS. So
10 we have serious work that needs to be done. What
11 we're really looking for is to be able to-- with
12 additional funding to be able to reach. We've been
13 having monthly meetings for the past four years.
14 We've been having networking events, bringing
15 entrepreneurs and business owners from Canarsie and
16 beyond. So I want to thank you just for the
17 opportunity to allow the Canarsie Merchants
18 Association just to be able to sit, to hear, to
19 understand, and to learn.

20 CHAIRPERSON FELIZ: Thank you. Thank you
21 for all the work you do over there in Canarsie.

22 NORINE MEDAS: Thank you.

23 CHAIRPERSON FELIZ: Alright, next is
24 Ahyoung Kim.

2 AHYOUNG KIM: Thank you, Chair. Happy
3 New Year.

4 CHAIRPERSON FELIZ: Likewise.

5 AHYOUNG KIM: Thank you for this
6 opportunity to testify on the proposed commercial
7 landlord watch list. My name is Ahyoung Kim and the
8 Service Director of Economic Empowerment at the Asian
9 American Federation. Before I talk about
10 Introduction 449, however, I'd like to also thank the
11 Council for Introduction 1132 which we believe will
12 bring transparency and fairness in enforcement of
13 city regulations. As for Introduction 449, we
14 believe this legislation will be an important first
15 step in protecting our small businesses. Brick and
16 mortar store owners cite rising rent and conflicts
17 with their landlords as some of the most pressing
18 challenges they face. This measure has the potential
19 to provide much-needed transparency and
20 accountability and we anticipate that it will have a
21 positive impact in keeping business owners informed
22 of their rights and protections. For decades,
23 immigrant small business owners have played a crucial
24 role in shaping the economy and the cultural vibrancy
25 of New York City. Yet, despite their contributions,

2 most of them do not know that they have rights as
3 commercial tenants. They enter lease agreements with
4 little to no legal guidance, and they trust landlords
5 to act in good faith. This lack of awareness leaves
6 them particularly vulnerable to predatory leasing
7 practices and commercial tenant harassment. But more
8 importantly, Chair, even when business owners are
9 aware of their rights, they rarely pursue legal
10 action against their landlord, and hence the data you
11 heard from Commissioner Gross. Many fear retribution
12 including the possibility of losing their lease or
13 facing rent hikes, but even those who have exited
14 their lease also do not pursue legal action, because
15 they don't understand what are the rights that they
16 have of how the City can protect them. They also are
17 overly burdened by administrative burden and legal
18 action cost. So, we simply don't see enough people
19 going into legal action. We believe the proposed
20 commercial landlord watch list, while an important
21 step forward, it needs to be paired with meaningful
22 outreach and accessibility measures. Simply listing
23 the names of bad actor landlord on the city website
24 is not going to guarantee that the information reach
25 those who need it most. Many immigrant business

2 owners lack the English proficiency, digital literacy
3 or digital access to city resources necessary, and
4 they will not be able to access this information that
5 is going to give them protection. If I may take 30
6 seconds, Chair, I want to give three recommendations
7 to City Council to consider. First of all, to
8 support local small business organizations is to
9 conduct meaningful outreach about what are the
10 tenants' rights that the business owners should be
11 protected of. And second, to establish an anonymous
12 reporting mechanism for commercial tenant harassment
13 so the many business owners who hesitate to come
14 forward or pursue legal action still have an avenue
15 to make sure that the City hears of the unfair
16 treatment that they are facing. And thirdly, please
17 consider expanding transparency by including a full
18 list of affected commercial properties as opposed to
19 the current intro says only the commercial property
20 that had been dealt-- that has been flagged in the
21 system will be listed by the landlords. We believe
22 that if that landlord has multiple properties, like
23 people who are looking into enter a lease with the
24 same landlord should be able to look up the address

2 and then be aware that this somebody on the watch
3 list. Thank you.

4 CHAIRPERSON FELIZ: Thank you. Next is
5 Andrea Tan.

6 ANDREA TAN: Good afternoon. Thank you
7 for the opportunity to testify. My name is Andrea
8 Tan. I'm the Director of the Microenterprise Project
9 at Volunteers of Legal Service. We're a legal
10 services nonprofit. We provide professional legal
11 services to small businesses. Based on our
12 experience working with small business owners, we
13 believe that the proposed bills will address critical
14 challenges that entrepreneurs in New York City face
15 and provide useful resources. First, the proposed
16 analysis of the fees and costs to start and maintain
17 a business will be a helpful tool. We see firsthand
18 how regulatory financial barriers overwhelm
19 entrepreneurs. Legal fees, for instance, remain one
20 of the most significant, yet overlooked, costs.
21 Entrepreneurs frequently forgo legal services to save
22 money which often results in costly mistakes like
23 improperly formed entities or poorly drafted
24 contracts including leases. Identifying these costs
25 would help the city better address the financial

2 hurdles that undermine small business growth. And

3 VOLS stays committed to offering free legal services

4 to entrepreneurs who urgently need these services.

5 Second, the introduction of a commercial landlord

6 watch list would help address the power imbalance

7 between commercial landlords and tenants by

8 increasing transparency and accountability in the

9 rental market. Unlike residential tenants,

10 commercial tenants lack many legal protections

11 leaving them vulnerable to exploitative practices.

12 Through our work we have observed how inadequate

13 lease agreements and untrustworthy landlords can lead

14 to financial loss and business closures. This too

15 will provide small businesses with critical

16 information to mitigate those risks and promote

17 fairness in the commercial rental market. And

18 finally, providing tailored regulatory compliance

19 assistance in different languages would help

20 businesses proactively address compliance challenges,

21 alleviating a significant burden for small

22 businesses, especially those without access to legal

23 assistance. Collaboration with organizations like

24 ours that already provide legal and compliance

25 services would enhance the reach and impact of these

2 efforts. Legal fees and compliance cost should not
3 be insurmountable obstacles for small businesses, and
4 by addressing these challenges with thoughtful
5 policies and accessible resources we can ensure that
6 small business owner spend less time navigating
7 regulatory-- regulations and dealing with violations
8 allowing them to focus more on growing their
9 businesses and create a more equitable and thriving
10 small business ecosystem. Thank you.

11 CHAIRPERSON FELIZ: Thank you. Thank you
12 so much for your testimony. Quick question, same
13 question that I asked earlier. Are there any
14 specific fines that you continue to hear about
15 affecting-- negatively affecting small businesses in
16 your-- the area that you serve? And if you're not
17 sure, that's fine.

18 AHYOUNG KIM: Chair, I think there's a
19 lot of businesses that are constantly hitting-- being
20 hit with the same issue that was not properly cured
21 before, and there's a systematic issue where
22 individuals are not aware how to cure their previous
23 fines and tickets, and that is triggering more
24 targeted search and more targeted areas sweep from
25 the same agency. I think previously we already heard

2 a lot of comments about how it's impossible for
3 especially immigrant businesses to navigate the
4 online system. My clients are having the same issue
5 as well. Another thing we are bracing for actually is
6 also the char broiler rule that is going to come to
7 effect soon, I believe, and there has been very
8 little if any outreach about this rule that's going
9 to come into enforcement, and especially immigrant
10 businesses who often do use many types of char
11 broilers are going to be impacted by this. And also,
12 when there is a new rule that is being enforced, it's
13 often that these rules trigger the most amount of
14 tickets in the particularly immigrant commercial
15 corridors. So, we're bracing for that.

16 CHAIRPERSON FELIZ: Okay, so basically
17 not anything related to the types of fines, but more
18 like a repeat fine for the same issue regardless of
19 what the issue is.

20 AHYOUNG KIM: Yes, that is the biggest
21 issue, but also there are certain agencies that is
22 especially difficult for business owners to deal
23 with. Those who do safety-related enforcement like
24 DOB or FDNY are particularly difficult, and it's
25 difficult to also like get feedback on like what

2 needs to be cured for them to, you know, to cure the
3 issue and not be like dinged again for the same
4 ticket. So, again, there's a recurring violation
5 ticket that they receive.

6 ANDREA TAN: Hi. Thank you, Chair. I
7 think that it depends on the industry. The fines
8 could be different, but in the end, if a business
9 owner doesn't have access to legal counsel to be able
10 to understand what happened and they can cure on
11 time, then they just don't do anything about, and
12 then the tickets accumulate, interest accumulate, and
13 so they end up closing business because of that. So,
14 access to legal services is key, free legal services,
15 and I don't think there's enough out there for
16 everyone.

17 CHAIRPERSON FELIZ: And to your
18 knowledge, are the small businesses that you work
19 with, are they aware of the different programs
20 available including, you know, like the commercial
21 lease assistance, also the other legal assistance
22 programs? Or yes, then no depending on the area?

23 NORINE MEDAS: Right. So, part of the
24 problem is that they're not aware, and this is why
25 we're here as an association. A lot of business

2 owners coming through COVID, especially in Canarsie,
3 South Brooklyn, did not receive a lot of the support
4 that we needed. I know we live in a community where
5 there are a lot of single-family homes, but it's a
6 large area, and then in terms of the commercial
7 corridors, you know, we-- we're a transit desert.
8 And so they didn't get, and a lot of business owners,
9 you know, are not really trusting, but I must say
10 that over the last couple of years we've been
11 organizing for the past five years. The resources
12 that we've received from SBS, from our local elected
13 officials, from VOLS, from the New York Business
14 Solutions, it has made a tremendous difference. Our
15 issue in Canarsie is because we didn't have a lot
16 support, not that we didn't, but a lot of our
17 businesses did not. And so that has created a
18 problem. Outreach can make the difference, and we
19 see with having monthly meetings, having networking
20 events it is making a difference. New York Business
21 Solutions attend. We're partnering with SCORE [sic]
22 with their free resources that they can access.

23 ANDREA TAN: Yes, I agree. It's very
24 important to make it accessible and that people know
25 that there are legal services out there, but the

2 other issue is even if they did know that we exist
3 and they reach out, there's not enough-- we don't
4 have enough resources to support all of the
5 businesses. So then, at the end of the day, we can
6 provide educational workshops, but we don't have
7 enough resources to give one-on-one advice which is
8 what's actually valuable for the entrepreneurs.

9 AYOUNG KIM: On the positive side, I will
10 say that SBS BEST program is well-received by
11 individuals who have gone through the program and
12 received consultation. They were able to prevent
13 future tickets or bring up their sanitation grades.
14 So kudos to SBS for that program. When it come to
15 the CLA, however, we believe two things are an issue
16 to our community. One, the nature of my community
17 tends to be that they don't want to talk about legal
18 issues in front of others. I'm sure it's not only an
19 Asian community thing, but in particular when I'm
20 doing outreach to our community members under the
21 guidance of the funding eligibility and allowed
22 activities, it doesn't all for enough like private
23 sessions or communication with the legal support
24 before they can actually like register, before they
25 decide to enroll for the program. So, that is one

2 big hurdle that we experienced in past years when
3 working with CLA. Secondly, when they learn that CLA
4 does not actually allow for the legal advisors to
5 represent them in court, it does become a very
6 frustrating point where individual owners become, you
7 know-- what is the point of this then? At then, end
8 of the day I will not be suing my landlord because I
9 can't afford it. So, if the-- yeah, that is one of
10 the biggest reasons why we don't see enough attention
11 from the community members who obviously need
12 [inaudible].

13 NORINE MEDAS: And if I could just share
14 in terms of highlight. There was a gentleman who was
15 thinking of opening up a restaurant, and he began to
16 search online and he found us, and we were able to
17 connect him directly with all the resources. SBS had
18 an amazing expo last year. He attended. He decided,
19 you know what, I'm informed. I have the information.
20 I think I'm going to kind of just wait a little bit
21 before I proceed. So it is important. I know
22 business owners sometimes they're wearing so many
23 hats and they're not listening, but the capacity to
24 be able to reach out and now will have that, and more
25 of that is needed. And so to how business owners why

2 invest \$10-\$20,000 in starting a business and you're
3 not really aware of all of the resources that are
4 available.

5 CHAIRPERSON FELIZ: Okay. Super, super
6 helpful and informative. Thank you so much for
7 joining us today.

8 NORINE MEDAS: Thank you.

9 CHAIRPERSON FELIZ: Thank you for your
10 testimony. Alright, anyone else would like to testify
11 in person before we move on to the virtual testimony?
12 Okay. I'll now call first virtual panelists:
13 Christopher Leon Johnson and then Carina Kaufman-
14 Gutierrez.

15 SERGEANT AT ARMS: You may begin.

16 CHRISTOPHER LEON JOHNSON: Can you hear
17 me?

18 CHAIRPERSON FELIZ: Yes, we can.

19 CHRISTOPHER LEON JOHNSON: Hello? Oh,
20 yeah, hello. My name is Christopher Leon Johnson.
21 I'm here to support-- to be in opposition to Intro
22 449. And the reason I want to oppose that bill is
23 because this is nothing but a ruse by the City
24 Council with the help of Lincoln Restler and Justin
25 Brannan, AKA Fester [sic] to extort commercial

2 property owners into donate to their campaigns, and
3 if they don't they're going to put them on their
4 list. But how they do it with the commercial-- with
5 the private landlord, the residential landlord watch
6 list. The thing-- and one more thing I want to say--
7 another thing I want to say is that when it comes to
8 like street vendors and stuff like that, they need
9 protections right now, because of Donald Trump in the
10 presidency, and we all know that there's-- a lot of
11 the big business-- the small business owners that
12 owns the property or that lease out the property,
13 they're complaining about the legal vendors, and I
14 have a big feeling that if the City Council does not
15 do anything about this, really call the stuff out
16 with these-- but we all know that some of these
17 owners donate to these politician's campaigns like
18 Shaun Abreu-- that it's going to be a lot of chaos in
19 these areas where they vend at, because these guys
20 feel that they're going to be deported because they--
21 vending on the-- vending on a sidewalk, and the truth
22 it, the matter of fact is that that's not the case.
23 These nonprofits need to start educating their
24 members when it comes to-- educating their members
25 about vending on the street or vending inside a

2 subway or delivery e-bike, delivering food by e-bike,
3 and say look you're not going to be deported by Trump
4 because you're vending on Roosevelt Avenue without a
5 license, or you're riding an e-bike on a sidewalk.

6 These nonprofits need to start educating members
7 telling them there's a difference from a non-violent
8 crime and a violent crime. and while at the same
9 time, the City Council need to start putting bills
10 together with the help of the State Assembly, State
11 Senate, with the help of the Speaker and State
12 Assembly and Senate Majority Leader [inaudible] the
13 Governor to start penalizing any small business-- any
14 owner that has a brick and mortar business that
15 reports on any vendor that's on the street, because
16 that-- like I said, I use to work in a spot where thy
17 used to play the games where like they see so-called
18 illegal immigrants, but I call them migrants working
19 next to them. They'll call ICE and try to get them
20 arrested. So, but--

21 SERGEANT AT ARMS: [interposing] Thank
22 you. Your time is expired.

23 CHRISTOPHER LEON JOHNSON: they need to
24 stop-- the City Council, these guys and gals for the
25 next four years, because-- thank you.

2 CHAIRPERSON FELIZ: Thank you. Thank you
3 so much for your testimony. Next we'll hear from
4 Carina Kaufman-Gutierrez from the Street Vendor
5 Project. Thank you, Carina, for joining us.

6 SERGEANT AT ARMS: You may begin.

7 CARINA KAUFMAN-GUTIERREZ: Hi. Good
8 afternoon. Thank you so much, Chair Feliz and
9 Majority Leader Fariás and the Committee, for the
10 opportunity to testify today, and for all your work
11 that you do supporting all of our city's smallest
12 businesses, including micro businesses like street
13 vendors. Today I'll be providing testimony on Intros
14 1132 and 1082. Us folks are in agreement, street
15 vendors are our city's smallest businesses who
16 provide the essential services, products, paying
17 taxes, creating jobs, and generating revenue in their
18 communities. Ninety-six percent of street vendors
19 are immigrants who hail from all across the globe and
20 most of them have mixed immigration status as well.
21 First, in response to some of the testimony earlier,
22 I would like to note that Local Law 18 of 2021
23 designated, and I quote, "The Department of Small
24 Business Services to provide training, outreach, and
25 education to all street vendors on entrepreneurship

2 and compliance with all applicable Local Laws and
3 regulations as well as solicit feedback from the
4 street vendor community." So, I do want to highlight
5 that SBS is the agency designated by law to conduct
6 education to street vendor small businesses just like
7 all other small businesses, and it's essential that
8 SBS does have the resources to complete this work.

9 We would also encourage that the SBS boot camp
10 modules be offered in languages other than English or
11 in addition to English so that we can refer street
12 vendors to participate and take advantage of these
13 resources. Regarding Intro 1132, we both like to
14 encourage and confirm that the targeted regulatory
15 compliance services proposed for small businesses is
16 inclusive of microbusinesses like street vendors and
17 that this moves in tandem with Intro 408 which would
18 establish a division within the Department of Small
19 Business Services to assist street vendors and again
20 require that SBS offer trainings and conduct outreach
21 to street vendors very much in line with Intro 1132.

22 I would also like to encourage that the definition of
23 the term violation as written in Intro 1132 be
24 expanded to include criminal summonses that are

2 issued to our city's smallest businesses in addition
3 to violations--

4 SERGEANT AT ARMS: [interposing] Thank
5 you. Your time expired.

6 CHAIRPERSON FELIZ: You can use another
7 30 seconds to conclude.

8 CARINA KAUFMAN-GUTIERREZ: Okay. I'll go
9 quick. Thank you. Because in just the first nine
10 months of 2024, NYPD issued over 1,500 criminal
11 summonses to street vendor small businesses, which
12 include, you know, violations like failing to display
13 a permit, failing to display prices, vending on a
14 sidewalk less than 12 feet wide. So I would just
15 encourage that in addition to OATH criminal
16 summonses are also included in the definition of the
17 term violation. And regards to Intro 1082, would
18 just like to highlight how important this as well.
19 It's been a challenge to many vendors who finally
20 receive there supervisory license to actually raise
21 the upfront capital needed to begin their food vendor
22 businesses specifically, because for example a
23 standard halal push-cart or a taco cart can range
24 from \$35K to \$50K, and for many this comes as a
25 surprise and delays the process of actually obtaining

2 the license and the permit. So, including a city
3 report on the types of fees and costs to maintain a
4 vending business would be very helpful. Lastly, in
5 response to the earlier questions regarding
6 documentation of services rendered by SBS, we would
7 encourage that a question like the type of business
8 establishment, i.e. store front or street vendor,
9 would be-- should be asked, because it would be
10 helpful to collect to ensure that services are indeed
11 being rendered to street vendors. Thank you so much
12 for the opportunity to testify, and if there are any
13 questions regarding immigration as well, I'm happy to
14 answer those here.

15 CHAIRPERSON FELIZ: Yep. Thank you so
16 much for your testimony. Yeah, a few questions. Can
17 you talk to us about the-- your experience with the
18 New York City Business Express Team and also with the
19 compliance advisors, the business advocates, and the
20 many programs that SBS offers?

21 CARINA KAUFMAN-GUTIERREZ: Yeah. I think
22 SBS, we know they did a training internally to on-
23 board their hotline regarding street vending. It's
24 not a service that we have recommended to vendors to
25 participate in, just given the complexity of the

2 street vending industry and how complicated
3 permitting has become. So, we have-- to be honest,
4 have not used those services.

5 CHAIRPERSON FELIZ: Got it. Okay. Have
6 you had any vendors mention any good or negative
7 feedback about the Express Team, Express Services
8 Team?

9 CARINA KAUFMAN-GUTIERREZ: I have not
10 heard of any vendor who has used the team.

11 CHAIRPERSON FELIZ: Got it. Okay, cool.

12 CARINA KAUFMAN-GUTIERREZ: I will say
13 the-- I have these up here, the flyers that go out
14 about street vending are great because they lift the
15 Business Solutions Centers, but we again, are-- they
16 know-- they have their resources-- but the-- let me
17 turn off my blur background. Like, we know-- we have
18 the resources street vendors need to operate or
19 expand. It does feel like a little bit of a dig,
20 because unfortunately SBS and the city at-large does
21 not have the resources that street vendors need to
22 operate and expand for those who are waiting in line
23 for decades to receive their business permitting.
24 So, you know, we just encourage that. In addition to

2 the bills that are here today, Intro 431 is also in
3 consideration moving forward.

4 CHAIRPERSON FELIZ: Okay, sounds good.

5 Thank you so much joining us and for your testimony.

6 Alright, would anyone else like to testify whether

7 in-person or remotely? If yes, please let the

8 Sergeant at Arms know so they can sign you up. Seeing

9 no one else, I would like to note again that written

10 testimony will be reviewed in full by committee

11 staff, may be submitted to the record up to 72 hours

12 after the close of this hearing by emailing it to

13 testimony@council.nyc.gov. Seeing no other names,

14 this hearing is hereby adjourned. Thank you so much.

15 [gavel]

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1 COMMITTEES ON SMALL BUSINESS & ECONOMIC DEVELOPMENT 151

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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 February 12, 2025