

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON SMALL BUSINESS

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DECEMBER 10, 2021
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HELD AT: REMOTE HEARING VIRTUAL ROOM 3

B E F O R E: CHAIR MARK GJONAJ

COUNCIL MEMBERS: MARK GJONAJ
SELVENA BROOKS-POWERS
HELEN ROSENTHAL
ERIC DINOWITZ

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

ADMINISTRATION:

JONEL DAVIS
JEFFREY SPEAR
AMNA MALIK

PUBLIC:

MICHELLE SHANK

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3 SGT. MARTINEZ: Sergeants, if you could
4 begin your recordings.

5 SGT. BIONDO: PC recording has begun.

6 SGT. LEONARDO: Cloud is rolling.

7 SGT. MARTINEZ: Good morning and welcome
8 to today's remote New York City Council hearing of
9 the Committee on Small Business. At this time, would
10 all panelists please turn on their video. To
11 minimize disruption, please silence your electronic
12 devices and if you wish to submit testimony, you may
13 do so via email at the following address:

14 testimony@council.nyc.gov. Once again, that is
15 testimony@council.nyc.gov. Thank you for your
16 cooperation. Mr. Chair, we are ready to begin.

17 CHAIR MARK GJONAJ: Thank you, Sergeant
18 Martinez. Good morning. I'm Council Member Mark
19 Gjonaj, Chair of the Committee on Small Business, and
20 I'd like to welcome you to our remote hearing. Our
21 goal today is to look into regulatory burdens on
22 small businesses and to engage with the
23 Administration and advocates on how to make New York
24 City the most small business friendly city in
25 America. Starting, owning, and operating a small

2 business in New York City can be a challenge. Small
3 businesses must deal with consumer behavior changes,
4 big box store competition, street vendors, e-
5 commerce, and a host of taxes including (inaudible),
6 sales tax, and property taxes while they remain in
7 compliance with the many ever-changing rules,
8 regulations, and codes overseen by multiple
9 departments and agencies to roughly conduct business.
10 City agencies that regulate small businesses issue
11 tens of thousands of violations each year which has
12 led to an outcry from the small business community on
13 the need for regulatory relief. According to a
14 survey, (inaudible) over 20 percent businesses cited
15 find inspections as their greatest frustration with
16 city government. As Chair of this committee, I will
17 make it my priority to make the city government an
18 ally to small business instead of a hinderance to
19 their success. I share with you one frustrated small
20 business owner which referred to New York City as my
21 southern partner that runs my business and takes most
22 of the profit. I'm proud that we have enacted Local
23 Law 80 of 2021 which reduces or waives financial
24 penalties for sanitation, health, transportation,
25 consumer flaws, noise control, and building

2 violations. I'm also proud to have sponsored Local
3 Law 81 of 2021 which created an amnesty program that
4 waives interest on penalties imposed by the
5 Environmental Control Board. I look forward to
6 hearing an update from DOF today on enforcement of
7 Local Law 81 and how many business owners have been
8 able to use this amnesty program which is due to
9 expire soon. While these efforts have been
10 successful in cutting red tape, more must be done. I
11 was glad to see the city announce yesterday a new
12 \$100 million-dollar small business resiliency grant
13 for hard hit sectors in well to moderate income
14 communities. Our small businesses need (inaudible)
15 and this program is a step to ensure that businesses
16 have the capital necessary to survive this pandemic.
17 This Administration will obviously be (inaudible).
18 I'd like to thank my dear friend, the Commissioner of
19 SBS, Jonel Doris for his friendship, tireless work,
20 energy, and commitment that you and your team have
21 put in over the last two years. The COVID crisis has
22 been the biggest challenge to face small businesses
23 in this city's history, and the small business
24 community was lucky to have you as their advocate,
25 Commissioner. Your experience and expertise in all

2 small business-related issues is unparalleled. So, I
3 look forward to a productive conversation today, a
4 fruitful conversation of what further burdens can be
5 cut for the small business community that challenges
6 small businesses in this city and what should the
7 next Administration focus on so that the small
8 business community can recover from that pandemic and
9 thrive later. Additionally, I'd like to focus this
10 hearing on the new, recent announcement to expand the
11 Key to NYC program to children aged 5 to 11. I hope
12 to hear how the city will ensure this will not harm
13 businesses and further put a regulation burden on our
14 businesses. Tourist visiting New York City from
15 other countries may not be vaccinated or be able to
16 have their children vaccinated in the home countries
17 before arriving to New York City. So, they will be
18 unable to patronize these businesses covered by the
19 mandate. While these tourists could get vaccinated
20 in New York City, they will then need to spend part
21 of their vacation ill from potential side effects of
22 the vaccine and expense of getting vaccinated. I
23 hope to get clarity today on some of these concerns.
24 With that said, I want to thank my Legislative
25 Director, Austin Sacker; our Legislative Counsel,

2 Stephanie Jones; our Policy Analyst, Laura Maxwell;
3 and Financial Analyst, Allia Ali for all of their
4 hard work in preparing for this hearing. Since this
5 will be the last hearing on small business, I want to
6 thank all of the Council staff for your support and
7 your hard work. You've been an asset to this
8 institution, and it has been my honor to work along
9 side of you to serve this great city. Thank you. I
10 pass it back to the Sergeant-at-Arms or Committee
11 Counsel for some procedural words.

12 COMMITTEE COUNSEL STEPHANIE JONES: Thank
13 you, Chair. I am Stephanie Jones, Counsel to the
14 Committee on Small Business, and I will be moderating
15 this hearing today. Before we begin, I'd like to
16 remind everyone that you will be on mute until you
17 are called on to testify at which point, you will be
18 unmuted by the host. During the hearing, I will be
19 calling on panelist to testify. Please listen for
20 your name to be called as I will periodically be
21 announcing who the next panelist will be. At this
22 hearing, we will be inviting testimony from the
23 Department of Small Business Services, followed by
24 testimony from members of the public. During the
25 hearing, if Council Members would like to ask a

2 question of the Administration or a specific
3 panelist, please use the Zoom raise hand function and
4 I will call on you in order. We will be limiting
5 Council Member questions to five minutes, which
6 includes the time it takes to answer your questions.
7 For all panelist, when called to testify, please
8 state your name and the organization you represent,
9 if any. We will now call representatives of the
10 Administration to testify. We will be hearing
11 testimony from Jonel Doris, Commissioner of the
12 Department of Small Business Services. We will also
13 be joined for questions by Amna Malik, Assistant
14 Commissioner of Business Operations and Regulatory
15 Reform SBS, and Jeff Shear, Deputy Commissioner of
16 Treasury and Payment Services at the Department of
17 Finance. At this time, I will administer the
18 Affirmation. Administration panelists, please raise
19 your right hands, and I will call on each of you
20 individually to respond. Do you affirm to tell the
21 truth, the whole truth, and nothing but the truth
22 before this committee and to respond honestly to
23 Council Member questions? Commissioner Doris.

24 COMMISSIONER JONEL DORIS: I do.

1 COMMITTEE ON SMALL BUSINESS 10

2 COMMITTEE COUNSEL STEPHANIE JONES: Thank
3 you. Deputy Commissioner Shear.

4 DEPUTY COMMISSIONER JEFFREY SHEAR: I do.

5 COMMITTEE COUNSEL STEPHANIE JONES: Thank
6 you. Assistant Commissioner Malik.

7 ASSISTANT COMMISSIONER AMNA MALIK: I do.

8 COMMITTEE COUNSEL STEPHANIE JONES: Thank
9 you. At this time, I'd like to invite Commissioner
10 Doris to present his testimony.

11 COMMISSIONER JONEL DORIS: Thank you so
12 much. Good morning, Chair Gjonaj, and members of the
13 Committee on Small Business. I'm Jonel Doris, the
14 Commissioner of the New York City Department of Small
15 Business Services. At SBS, we aim to unlock economic
16 potential and create economic security for all New
17 Yorkers by connecting them to quality jobs, building
18 stronger businesses, and fostering thriving
19 neighborhoods across the five boroughs. I am here to
20 testify on the oversight hearing on regulatory
21 burdens on small businesses. I'm joined by Deputy
22 Commissioner Jeffrey Shear from the Department of
23 Finance and also from my senior team, Assistant
24 Commissioner Amna Malik. In the spring of 2020, it
25 became clear that small businesses would be hit

2 exceptionally hard by the economic impacts of COVID-
3 19. The agency quickly shifted our work to meet
4 these challenges. SBS created the small business
5 recovery plan designed to jumpstart the economy in
6 the short term while laying the groundwork for
7 sustainable small business recovery in the long term.
8 This small business recovery plan developed in
9 collaboration with business leaders, industry
10 associations, and government partners was based on
11 four strategies to ensure an equitable citywide
12 economic recovery, support business innovation to
13 increase revenue, equip entrepreneurs with tools to
14 adapt and lower operating costs, foster close
15 collaboration with businesses to cut red tape, and
16 promote equitable economic growth while supporting
17 diverse businesses of the future. As a result, we
18 launched and expanded 51 recovery programs,
19 initiatives, and campaigns. Our team received more
20 than 75,000 calls to our hotline, visited more than
21 175 commercial corridors, hosted more than 860
22 webinars with more than 56,000 attendees and
23 delivered 337,000 services to businesses. Access to
24 capital has been the most critical need in the small
25 business community during the pandemic. SBS has

2 connected New York City small businesses to more than
3 half a billion dollars in funded opportunities to
4 weather the crisis and build back stronger. We've
5 helped more than 6200 businesses secure \$280 million
6 in local, state, federal, and private sector funding,
7 and assisted more than 4300 businesses in applying
8 for \$343 million in PPP and EIDL loans, and
9 throughout this work, we have assisted businesses of
10 all types across the city. We're particularly
11 focused on supporting small businesses in the hardest
12 hit communities, including vulnerable minority and
13 immigrant-owned businesses, and those in low and
14 moderate income neighborhoods. To support businesses
15 to open and operate, the city launched New York City
16 Business Quick Start Program, a historic, \$11 million
17 service for small businesses. Quick Start provides
18 small businesses a point of contact to navigate city
19 regulations including permits, license, certificates,
20 inspections, violations, and signoffs. The
21 initiative guarantees a 48-hour response to all small
22 business inquiries to ensure business owners are
23 guided through any processes and questions quickly
24 and effectively. SBS small business advocates are
25 the lead points of contact for small businesses and

2 helps troubleshoot and navigate the regulatory
3 environment and challenges that come up in the
4 process of launching or running or business. Some of
5 the businesses that can benefit from Quick Start
6 include the restaurants, bars, cafes, supermarkets,
7 bodegas, meat markets, power stores, hardware stores,
8 pharmacies, bookstores, laundromats, shoe repair
9 shops, and beauty salons. Once fully
10 operationalized, this effort will be a collaboration
11 between over 100 city personnel across key agencies
12 including SBS, Department of Buildings, Department of
13 Environmental Protection, Department of Health and
14 Mental Hygiene, and the Fire Department. Small
15 business advocates walk businesses through the
16 regulatory process and cut through the red tape by
17 working together with our colleagues at the city and
18 state regulatory agencies and utilities. SBS also
19 has a team of compliance advisors that go directly to
20 the businesses or meet with the business owner
21 virtually. In the consultation, they provide a
22 customized checklist to help businesses understand
23 key city rules and requirement and discuss how to
24 avoid fines and violations in the first place by
25 addressing the most commonly issued compliances

2 challenges. Quick Start's ambitious goals were
3 launched on June 21st. We have already made progress
4 on hiring and the needed staff and meeting the goals
5 of the initiative for businesses. SBS teams, our
6 small business advocates and compliance advisors have
7 delivered hundreds of services and the SBS hotline
8 has fielded over 12,000 calls since the launch of the
9 Quick Start, leading to a faster opening and an
10 estimated reduction of penalties through education of
11 over \$4 million dollars. As we continue to provide
12 new services to support small businesses through the
13 pandemic, I am pleased to announce the launch of the
14 SBS \$100 million-dollar small business resilience
15 grant for hard-hit sectors and low and moderate
16 income communities. Access to capital has been the
17 most critical need in the small business community
18 during the pandemic. Hard hit small businesses in
19 arts, entertainment, recreation, accommodation, and
20 food sectors are all businesses in my neighborhood as
21 defined by the census tract data, are all eligible.
22 Businesses can apply to receive a \$10,000 grant which
23 can be used for payroll and benefits, mortgage, rent,
24 utilities, and other costs. To get more information
25 or to apply, businesses can go to

2 www.covidresilience.nyc. That's covidresilience.nyc
3 or call the small business hotline at 888-SBS4NYC.
4 As we continue to fight the COVID-19 pandemic, our
5 city and its entrepreneurs will need to remain
6 innovated. SBS will be here to help the city's many
7 and diverse small businesses comply with all health
8 precautions needed to save lives along with existing
9 regulations to open and operate a business. We will
10 maintain a thorough and thoughtful and holistic
11 approach to reducing burdens by advocating for
12 outreach in an education first strategy. As always,
13 thank you to the Council and the committee,
14 particularly our committee Chair, Gjonaj, for your
15 efforts to help small businesses get through the
16 pandemic. The passage of Local Law 80 and Local Law
17 81 have given financial relief to small businesses
18 during these trying times. Thank you for the
19 opportunity to testify, and I am available for any
20 questions you may have.

21 COMMITTEE COUNSEL STEPHANIE JONES: Thank
22 you, Commissioner. Before we continue, we'd like to
23 acknowledge Council Member Brooks-Powers and Council
24 Member Rosenthal have joined us. I will now turn it
25 over to questions from the Chair. Panelist, please

2 stay unmuted if possible during this question-and-
3 answer period. Thank you. Chair Gjonaj.

4 CHAIR MARK GJONAJ: Thank you, Stephanie.
5 Commissioner, thank you for that testimony and your
6 remarks, and thank you for your partnership. I'm so
7 glad to see the announcement of the \$100 million
8 grant for hard hit sectors and businesses in low to
9 moderate income neighborhoods. It states that the
10 grants can be up to \$10,000. Is that correct?

11 COMMISSIONER JONEL DORIS: The grants are
12 \$10,000. So they're fixed amount.

13 CHAIR MARK GJONAJ: Okay, great. So,
14 that's roughly 10,000 businesses. Can you help
15 further explain how we will identify these
16 businesses? We have so many programs, loans,
17 programs, that perhaps did not equitably make its way
18 out to the outer boroughs and small businesses, can
19 you help explain how we're going to make sure that
20 this much needed capital is going to get into the
21 hands of the micro-businesses, small businesses that
22 truly have been suffering?

23 COMMISSIONER JONEL DORIS: Thank you so
24 much for that question, Chair. As you know, several
25 (inaudible) we've already instituted, we have

2 adjusted with the input from the Council, your input
3 from the community to ensure that anything that we do
4 put out, any resource is one that we'd be able to
5 help small businesses, particularly businesses that
6 need it the most. So, what we've done here is that
7 we have, you know, really focused on hard hit sectors
8 first of all. That's in the arts, entertainment,
9 recreation, food, accommodation sectors, all that
10 were shattered in a sense and shut down or asked or
11 requested to do so at some point, and then of course,
12 LMI neighborhoods, Low, Moderate Income
13 neighborhoods. So, we also are working in the
14 census tract as well data, not just zip codes as we
15 heard before that community thought it best, and our
16 team as well, as we sort of looked at how we could do
17 this better to really narrow in on businesses that
18 need the support, get down to the census tract level
19 in order to get to those micro-businesses that need
20 it. We also have several rounds that we're doing
21 this program in to ensure that we are getting to the
22 smallest of small businesses. The first round, that
23 will be businesses up to a revenue of a million
24 dollars or less which is also retentional in making
25 sure that we get to really small businesses

2 particularly in the outer boroughs to make sure our
3 five-borough strategy is operational here. So,
4 again, targeting the industries, targeting the
5 communities, making sure that we cap the revenue cap
6 for those businesses in rounds so that the smaller
7 ones can get a chance to get in, and then lastly,
8 really have a series of outreach efforts in
9 connection with partners, which I think is very
10 important. So, we do have a series of partners that
11 we're working with to help us get to many businesses.
12 Our outreach teams as well in the outer boroughs,
13 myself, we launched a grant on Wednesday. I was in
14 Kingbridge, right after that into the night knocking
15 on doors, going door-to-door with businesses.
16 Earlier in the day, we were in Harlem, on 125th
17 Street doing the same. So, we're going to have a
18 real targeted approach here to make sure that those
19 businesses get the resources from this grant.

20 CHAIR MARK GJONAJ: Thank you for that,
21 Commissioner. So, the targeted business, I think an
22 acceptable number that we've always used are 220,000
23 businesses call New York City home. Is that correct?
24
25

2 COMMISSIONER JONEL DORIS: Correct. Yes,
3 I mean, give or take, it's probably higher than that
4 now.

5 CHAIR MARK GJONAJ: The targeted
6 industries that have been hardest hit that you
7 outlined with revenues less than a million dollars a
8 year, how many businesses is that? What is that
9 (inaudible) that we're targeting?
10

11 COMMISSIONER JONEL DORIS: Well, we're
12 targeting to get to about 10,000 businesses and I
13 said that was the first round, I meant to apologize,
14 there was the second round and the third, so it goes
15 all the way up to three million in the second round
16 and the third and anyone else can apply and be
17 eligible for that.

18 CHAIR MARK GJONAJ: So, (inaudible).
19 \$10,00 is the grant. Those industries that you
20 mentioned and outlined, do we know how many small
21 businesses that in the arts, the entertainment, the
22 food, that you had outlined. Do you know how many
23 small businesses in New York City fall into those
24 industries that we're targeting, the actual number or
25 close to an estimated number of businesses?

2 COMMISSIONER JONEL DORIS: Yeah, we know
3 that, and I'm sorry, we'll get that right before I
4 conclude my part here, but I do know broadly speaking
5 that we do have about 112,000 or so businesses in LMI
6 communities which we're sort of trying to focus our
7 efforts here, but we'll get the team to get the exact
8 or something close to the number.

9 CHAIR MARK GJONAJ: That's the point I'm
10 making. That \$100 million dollar sounds like a lot
11 of money. If we have 112,000 businesses and are
12 looking at grants of \$10,000, there may not be a
13 second round. How many of them actually have
14 (inaudible) less than a million dollars, but in the
15 targeted industries, LMIs, which I support fully,
16 where, 10,000 grants divided by \$100 million, we're
17 looking at 10,000 businesses. This may not have the
18 ability to meet the needs of the first round let
19 alone go a second round, or am I wrong here?

20
21 COMMISSIONER JONEL DORIS: No, look. You
22 are correct in a sense that, you know, if you look
23 back at the equity that ported to the city through
24 the PPP program upwards of \$25, \$26 billion dollars,
25 you know, that's the type of efforts that is needed
to keep a lot of these businesses afloat. We

2 understand also through the EIDL program, through
3 also the (inaudible) program, a few billion dollars
4 there and also to restaurant revitalization programs,
5 you know, obviously, we're doing what we can to make
6 sure that we supplement some of the efforts that were
7 made through all of those federal programs and
8 (inaudible) programs that were provided in the
9 communities, but we know also that a lot of those
10 businesses did not receive some of those fundings,
11 and that's why we've sort of gone ahead and with this
12 particular grant program to give them a much needed
13 boost as we go into the holiday season.

14
15 CHAIR MARK GJONAJ: Thank you,
16 Commissioner. Is there going to be any restrictions
17 to the (inaudible) grants or loans to the other
18 programs that they can't apply for this or will those
19 businesses be able to apply for this grant if they
20 received help in the past?

21 COMMISSIONER JONEL DORIS: Yeah, so
22 again, we're targeting, trying to get to businesses
23 who did not receive. So, we have restrictions on
24 this particular grant for businesses, if you did
25 receive the (inaudible) grant, would not be able to
receive this one. If you received a restaurant

2 revitalization grant, you would not be able to
3 receive this one as well.

4 CHAIR MARK GJONAJ: Thank you for that.
5 I'm looking forward to working with you. We have a
6 few weeks left in this year and I hope we can come up
7 with a systematic approach to making sure the
8 outreach is done in particular to these outer
9 boroughs and small communities and business owners
10 that would never be able to find out this program
11 exists, and by the time they do, typically, the money
12 is depleted, and there are no additional funds. We
13 have any idea of how many businesses are expected to
14 apply in the first round only based on the research
15 that you've done already and the outreach that you've
16 expressed with your partners, and I'm sure that would
17 be chambers and bids and organizations that represent
18 industries. Do you have any sense of what this could
19 look like?

20
21 COMMISSIONER JONEL DORIS: Yeah, look,
22 typically when we provide a program within the first
23 few weeks, we get a few thousand applications, and
24 this is the time we believe that we'll get similar
25 reaction here. We are working, for instance, with
the Bronx chamber, the Brooklyn chamber, Queens

2 chamber, Manhattan chamber, Staten Island as well,
3 all the folk that we're working with to make sure
4 that we are getting to these businesses. Also, some
5 of the sector associations like the New York State
6 Latino Restaurant Association and alike, and so, also
7 United Way is helping us here as well. So, there's a
8 robust effort to make sure that the word is out and
9 we are getting to those folks, and if we're not
10 successful with one way, we have another way. So, if
11 our general outreach that we're doing, we're not
12 getting to the folks, we have the partners who are
13 helping us to get to other folks, and if that's not
14 working, we have our own street team and outreach
15 teams that are going out. We have elected officials
16 like yourself who have been tremendous in helping to
17 get information out to the public, and so that's what
18 we're doing. You know, door to door, advertising,
19 marketing, going through the associations, speaking
20 to those chambers and then community organizations
21 who working within these areas to make sure that
22 folks are aware, but our intention, when we designed
23 this, is to make sure that we are getting to the
24 targeted audience here.

2 CHAIR MARK GJONAJ: Thank you,
3 Commissioner. I'm really looking forward to the
4 outcome of this much needed funding and how it gets
5 into the outer boroughs and into districts that have
6 a tendency to be overlooked, so thank you, and I know
7 that you've done a great job in doing so, and the
8 partners that you've outlined to do their part.
9 Commissioner, can we discuss the Key to NYC mandate
10 and what the regulations that are now being put on
11 these business partners for employees and agents of
12 their businesses as well as the businesses that must
13 comply with this new order?

14 COMMISSIONER JONEL DORIS: Yeah, so the
15 mayor, as you know, made an announcement on the Key
16 to NYC being applicable to all private sector
17 employers in the city. There's a couple components
18 to what the mayor had mentioned, requiring
19 vaccinations of children starting December 14th,
20 between the ages of 5 to 11. If you are going to be
21 participating in public indoor activities, and so
22 that's one area, and full vaccination starting
23 December 27th for people 12 years and older
24 participating in public indoor activities as well,
25 they will have to show vaccination doses. Of course,

2 except for those who were utilizing Johnson and
3 Johnson. Starting December 27th also all employees
4 at private sector businesses must have received at
5 least one dose and then further details as the mayor
6 had mentioned of this requirement will be available
7 on December 15th as well as the various FAQs etc. to
8 explain further and answer questions that folks may
9 have.

10 CHAIR MARK GJONAJ: This is kicking up on
11 December 14th?

12
13 COMMISSIONER JONEL DORIS: For children 5
14 to 11, I believe the proof of vaccination for indoor
15 activities, at least one dose, that starts on the
16 14th, but for our private sector employees, it starts
17 on December 27th, but on December 15th, as mentioned,
18 you know more information will available then. What
19 I essentially said here is what is available now and
20 the FAQs and guidance documents etc. will be
21 available on December 15th.

22 CHAIR MARK GJONAJ: I'm so concerned. You
23 know, we did a tremendous outreach when the mandate
24 began. Four days from now, our small businesses will
25 have to comply with this new mandate. We have not

2 done the outreach. We have not reached out, provided
3 the information to small businesses that are impacted
4 by this. We're not going to be able to get the word
5 out, let alone have the business owners prepare for
6 this mandate that kicks off on the 14th, and then
7 later on the second phase with the 27th. What are we
8 going to do? Are these businesses going to find
9 themselves being in violation of a new mandate that
10 they're not aware of cause we didn't educate and have
11 the time to provide the information? Are we exposing
12 these businesses to further fines and liabilities?

13
14 COMMISSIONER JONEL DORIS: Yeah, well,
15 you know, we, from our perspective and what our role
16 here at SBS is, you know, is to make sure we
17 communicate out. So, we've already began an
18 extensive communication campaign to businesses to let
19 them know what's happening and what's coming down the
20 pipe, and you know, we've already met with and
21 communicated with all of our bids, all 76 of them.
22 We've communicated with the mayor's Small Business
23 Advisory Counsel which includes all of the chambers.
24 As I mentioned before, the Latino restaurant,
25 nightlife, Chinatown partnership, many other small
business leaders are on there. We've briefed them

2 and communicated with them. Also, our food and
3 beverage hospitality partnership, we've done that as
4 well. On top of that, we've reached out, you know,
5 how we connect with businesses, 284,000 of them
6 through their emails and through their bids and CBO
7 partners, so we have been really pushing this out
8 there as much as we can to let folks know. Our
9 social media also on webinar series, etc. similar to
10 what we've done back in September when this mandate
11 came out. So again, our role at SBS is to you know,
12 communicate what we know, and the rules and regs to
13 the small businesses and we've done significant
14 outreach. We are continuing to do that outreach to
15 let them know what's coming and we won't stop until
16 businesses know, they know exactly what's happening
17 and I believe, you know, from my efforts, you know,
18 from the first mandate which we had some extensive
19 efforts and opportunities to promote, to let small
20 businesses know what's happening, we were able to get
21 that information out, so that, as it pertains to the
22 27th, where actually the private sector businesses,
23 those must receive at least one dose. The outreach
24 and guidance documents in particular, sorry, data
25 documents, etc., and a ramp of period of those two

2 weeks that starts once that get out on the 15th. So,
3 we believe that we have a lot more opportunity to
4 share with small businesses once we have additional
5 guidance and is provided for the private sector
6 businesses. We will then go out and continue
7 outreach we've been doing.

8
9 CHAIR MARK GJONAJ: Thank you,
10 Commissioner. Will you share some of the concerns
11 that were brought up during your conversations with
12 the stakeholders and industries as to the challenges
13 that this mandate will be on their industry, their
14 corridors?

15 COMMISSIONER JONEL DORIS: Yeah, I think
16 it's what we've heard before, and I think it's
17 consistent with what small businesses have said. You
18 know, folks are wanting to make sure that they're in
19 compliance. They wanted to make sure they understand
20 what the regulations are as requested. For instance,
21 you know, what does it mean to, you know, when an
22 inspector comes, what should I expect from an
23 inspector. You know, folks are asking those
24 questions, again some of which are going to be
25 readily available once the guidance materials are put
out and published on the 15th, similar to what we did

2 before, and also did any extra signage. If that's a
3 question that came up. Also, can we help them comply
4 with the law? It's like absolutely, we have
5 compliance advocates who also work with our small
6 businesses as they did throughout the pandemic, our
7 compliance advisors are going door-to-door, working
8 with them, you know, helping them to understand
9 challenges and helping to reduce confusion, if
10 there's any from those small businesses. So, again,
11 that's the role of SBS and you know, heard those
12 concerns from them and we've taken those into
13 account, and we'll continue to help them navigate
14 this process, you know, which is why we're here.

15 CHAIR MARK GJONAJ: Sorry Commissioner.
16 This is the time of the year where businesses are
17 planning on the bridge amount of revenue from sales
18 during the holidays. Companies and families are
19 planning holiday parties, booking party rooms,
20 unaware that this mandate will prevent them from
21 celebrating or opening up their businesses. This is
22 the wrong time of the year. I just don't know why
23 you want to do this and undermine the sales that
24 these businesses wait all year around for and now
25 there is a new mandate which will restrict the

2 business opportunities. In particular, Commissioner,
3 tourists are going to be visiting New York City
4 during the holiday season, that have made plans and
5 may not be aware, but if their child is not
6 vaccinated, they cannot patronize a business then
7 equally or any type of indoor activity. This is
8 going to be harmful. It's going undermine the
9 business' ability to survive and thrive. Many of
10 these businesses wait 11 months knowing that in
11 December, they will have the revenue that is required
12 to help them get through the next year. This is the
13 time of sales. We're not making them meet that,
14 they're done. We just undermine their very ability
15 to do so. What do I say, as Commissioner, my phone
16 is going off the hook, emails. How do we answer
17 these businesses who have a rightful complaint when
18 we put this mandate on their busy time of the year
19 for them?

20
21 COMMISSIONER JONEL DORIS: Yeah, I get
22 it. You know, going back to our role here is one,
23 you know, one, education, two, supplement whatever
24 needs a business may have. I mean, our grant is also
25 an opportunity for businesses as well, and then our
other resources, financial institutes or workforce or

2 what have you, whatever they need, we've been there
3 and supplied, you know, through the first Key to NYC
4 program. So, look, we understand, you know, we are
5 SBS. We deal with small businesses. We understand
6 fully the complication and the complexity that we're
7 dealing with here. This is a very important time of
8 year for small businesses, you know, I think, you
9 know, what I believe you're seeing from the city, and
10 what we're seeing with this particular omicron
11 variant four time more infectious than the Delta
12 variant, challenges that were hearing from the
13 healthcare community. We see on the rise, cases in
14 the city and also the state. I believe the state is
15 even making some sort of announcements, I've heard,
16 today, around rising numbers, COVID around the state,
17 city, elsewhere. So look, I hear you. I think part
18 of our, again, our role at SBS, you know, we don't
19 make those calls as to what the doctors are saying
20 and what the healthcare community wants to, how they
21 would like to address the concerns here and keep us
22 all safe, but we certainly our role, again, is to
23 educate, give resources, and be there for the small
24 business to help them navigate and then when they
25 are, you know, the occasion for inspections to occur,

2 really advocate strongly like we did for (inaudible)
3 and make sure there's an opportunity for a business
4 to make an adjustment without being penalized, and
5 those are the things we've done, even with the first
6 Key to NYC being expanded, we were able to be
7 effective with that, and you know, a very minimal
8 number of businesses as you know, were really
9 penalized or fined during that time, and so, you
10 know, the attempt is education, you know, resources,
11 and make sure that everybody is compliant and give
12 them that knowledge so that they're able to effective
13 plan as well for their business.

14 CHAIR MARK GJONAJ: Okay. Thank you for
15 that, but we'll telling travelers planning on
16 visiting New York City for the holiday, don't bother
17 coming if you're not fully vaccinated, don't bother
18 coming if your children aren't vaccinated. We don't
19 care if in your home country, it's even permitted to
20 have your child vaccinated. We are turning our backs
21 on tourists and the much-needed revenue that the city
22 needs. We have just undermined any advancement for
23 this holiday. We have just told tourists don't visit
24 New York City at the most crucial time. That's the
25 message that we sent them, and I know that at SBS,

2 their responsibility is to educate and make sure that
3 they have resources. This is the wrong message at
4 the wrong time, and I am suspect as to why it had to
5 happen at such a big time. That's not for you to
6 answer. I know that you can't, but our businesses
7 are going to have to make a decision. Our tourists
8 are going to have to make a decision. Someone has
9 made the decision for them, and if I'm a small
10 business, and the next two weeks are going to
11 determine whether or not I keep my door open, you're
12 going to force me to make a decision not to comply so
13 I can survive. This is a terrible dilemma that we
14 have put our businesses in. No advanced notice. No
15 advanced warning, at the most critical time of the
16 year, that's unfair. I'm speaking for those
17 businesses. I speaking what countless owners that
18 contact me and why don't you just put us out of our
19 misery and just shut us down? Why let me hold on to
20 hope and continue to invest more money in a business
21 that cannot survive. These are not my words. These
22 are the words of our small businesses and then we put
23 a carrot in front of them and say, yeah, but we're
24 going to give a \$10,000 grant. Members aren't there.
25 It's unjustifiable. It's actually looking to

2 undermine their very existence and all of them is
3 helping ecommerce, helping the businesses in other
4 areas, out of the city, in the state while we double
5 stake our own small business community and
6 stakeholders. People who have built this city, that
7 live here, have invested here, are being undermined
8 by the very city that they built and paid taxes to.
9 I cannot possible support. After this, I don't want
10 to cause I see how unfair it will be, and there's
11 nothing that you can say or do about it. It's not
12 your choice. It's not my choice. The Administration
13 made the decision, it is the wrong decision, and I
14 apologize for making you the point person to defend
15 this, and that's not my intent cause it's too hard to
16 defend. No one can defend this, and no one can make
17 this right but this Administration because
18 (inaudible), I still don't understand the urgency.
19 They're going to undermine everything, all the
20 investments that we've made over the last two years
21 to help these businesses survive as well as the
22 sacrifice that they've made. It's a sad day in New
23 York City. The message is New York City is closed to
24 small businesses. Go to Westchester. Go to upstate
25 New York, but New York City, think twice before you

2 open up. That's the message we just sent. Is there
3 anything that you can share with us, Commissioner, on
4 what the next Administration, based on the work that
5 you've done, based on SBS and the feedback that you
6 received, that we can perhaps share it with the
7 incoming Administration as to where they're focusing?

8
9 COMMISSIONER JONEL DORIS: On general
10 small business matters, oh, absolutely, but you know,
11 we've already shared some of our thoughts. You know,
12 we have to continue to provide an environment, you
13 know, a regulatory (inaudible) for business growth,
14 we have to do more, continue to do more. We can look
15 deep into all the regs and the fines and the
16 regulatory challenges that small businesses face, and
17 we've got to keep digging. I mean, we've come a long
18 way. Local Law 80, Local Law 81, you know, even
19 before then, other laws that we've had, which there
20 are 33 others, you know, really were very helpful and
21 continue to be helpful to get a small business
22 regulatory environment, one that we can actually
23 conduct business in and be fruitful here in the city.
24 I think secondly, you know, we talked the needs of
25 small businesses as it pertains to financing needs.
Yeah, it's not just the small business or the city

2 that provides this. You have a whole financial
3 mechanism in the city and financial sector that needs
4 to be more responsive to small businesses, and the
5 city, you know, without our ability to challenge the
6 private sector and how they address the needs of
7 small businesses, in particular, black and brown
8 business, and women-owned businesses who have
9 significant challenges in getting capital. That is a
10 major, major challenge and I think, you know, the way
11 that we go about it is engage in private sector, but
12 also challenging the financial sector and markets to
13 really address this as a real time, real issue for
14 small businesses, and then, of course, you know, we
15 also talked about workforce and making sure that
16 there's a training workforce that is ready and able
17 to engage and also is equipped and what the city can
18 do there. So look, there's several things we've been
19 discussing, and things we've learned, you know, being
20 ready for emergencies, emergency preparedness, just
21 in general. Making sure that also our agencies are
22 continuing to work together to help small businesses
23 in the city, coming together as one, working with
24 each agency, making sure that small businesses are
25 prioritized with every agency. So yeah, we have

2 several recommendations even when it comes to, you
3 know, what small businesses have to deal with just to
4 operate in their business, etc. So, we've definitely
5 communicated some of those thoughts, and as I
6 mentioned here.

7
8 CHAIR MARK GJONAJ: Thank you,
9 Commissioner. I hope the new Administration see the
10 value in you and your team and will keep you onboard
11 cause we've got very difficult times ahead and the
12 learning curve of anyone coming in is going to be a
13 time delay. Our businesses need help, our small
14 business community is reliant on this city and the
15 expertise that you and your team have developed is
16 one that's going to help this transition. I really
17 hope they see you as a partner and an asset when they
18 make these decisions.

19 I'm not sure if any of the Council
20 Members have questions. Stephanie? I know that we
21 have Brooks-Powers and Rosenthal, and at any time, if
22 they have any questions, I just want to give them the
23 opportunity.

24 COMMITTEE COUNSEL STEPHANIE JONES:

25 That's right, Chair. Council Member Brooks-Powers is

2 on. I don't believe she has any questions at this
3 time.

4 CHAIR MARK GJONAJ: Will you let me know
5 if any other Council Member joins?
6

7 COMMITTEE COUNSEL STEPHANIE JONES: Yes.

8 CHAIR MARK GJONAJ: As we continue with
9 talking to the Commissioner. Commissioner, I have a
10 few more questions for you, but perhaps you can help
11 get an update on the number of businesses that have
12 been able to access the amnesty to Local Law 81.
13 This plan that they can apply for the amnesty is due
14 to sunset. Do you have any information on how many
15 businesses have been able to take advantage of this
16 amnesty, and perhaps you can explain a little bit
17 about the amnesty for those businesses that are
18 participating today that are not even aware?
19

20 COMMISSIONER JONEL DORIS: So, thank you,
21 Chair Gjonaj. I do have Deputy Commissioner Jeff
22 Shear from DOF who will take that question if that's
23 okay with you?
24
25

2 CHAIR MARK GJONAJ: And I hope that they
3 can explain a little bit about the amnesty program.
4 How businesses are not aware.

5 DEPUTY COMMISSIONER JEFF SHEAR: Yes.

6 So, good morning, Council Member Gjonaj, and before I
7 get into the amnesty program, I first want to thank
8 you for your leadership on this issue and for
9 partnering with the Administration on this amnesty
10 program for ECB judgements. We call it the fairer
11 program, fines and interest reduction enabling
12 recovery, and this program started on September 20th
13 of this year and runs through December 20th, and it
14 offers businesses and individuals who had ECB
15 judgements to receive either abatement of default
16 penalties and interest or if they do not have default
17 penalties, a reduction of the base fine penalty if
18 they pay the amount due online, and I also want to,
19 before I go further, let you know that DOF has done a
20 significant amount of outreach to ensure the success
21 of the program, so we have had a \$100,000 advertising
22 campaign. We sent out over 200,000 letters to the
23 entire database of people who have ECB judgements and
24 would be eligible to apply, and we also sent, in
25 September and October, 125,000 outreach emails and

2 we've repeated that last month to let people know
3 that the deadline was approaching. So, to answer
4 your question, so far nearly 17,000 entities have
5 participated in fairer through December 7th. That
6 includes 6400 individuals and 10,500 businesses.
7 Together the amount paid so far is \$20.4 million
8 dollars and the saving from abated penalties, fines
9 and interest is \$32 million dollars.

10
11 CHAIR MARK GJONAJ: Thank you for that,
12 Deputy Commissioner. That 17,000 is a significant
13 amount of participants in this amnesty program. How
14 many could have, so how many ECB violations that
15 falls under this amnesty program who we currently
16 have on the books that we know, either individuals or
17 businesses?

18 DEPUTY COMMISSIONER JEFF SHEAR: Right,
19 so, I don't have precise numbers, but I again, will
20 say that sent 200,000 letters to individuals and
21 businesses with outstanding ECB judgements.

22 CHAIR MARK GJONAJ: So, that would be
23 roughly 8 percent. If 200,000 letters went out, and
24 only 17,000 responded, that's 8.5 percent?
25

2 DEPUTY COMMISSIONER JEFF SHEAR:

3 Something like that, yes.

4 CHAIR MARK GJONAJ: All right. We've
5 only got a week left or so, 10 days, before this
6 amnesty period ends, and those that could have taken
7 advantage of it will not be able to. Is there going
8 to be a final push of additional notices advising
9 that you got one week, 10 days, or is this
10 Administration prepared to perhaps, extend the
11 amnesty for any period of time?

12
13 DEPUTY COMMISSIONER JEFF SHEAR: So,
14 that's an excellent question. So, we do have a push
15 going on. So, as I said earlier, at the end of
16 November, we sent out emails to everyone that we had
17 previously contacted to let them know that the
18 deadline is coming up for precisely that reason.
19 However, as I'm sure you're aware, the Local Law that
20 authorizes the amnesty program gives the Finance
21 Commissioner the authority to extend the program by
22 an additional 90 days. So, that is something DOF is
23 actively reviewing right now. We have not yet made a
24 decision, but we are closely monitoring the program
25 and having active discussion as to whether we should
consider a program extension.

2 CHAIR MARK GJONAJ: Thank you, Deputy
3 Commissioner. I would encourage it just based on the
4 number of respondents and those that can participate
5 and take advantage of this limited time offer. It
6 doesn't happen too often, but we offer amnesty
7 programs and the savings, it is tremendous, it is
8 tremendous. So, I would encourage that you continue
9 working with DOF on this and hopefully the
10 Administration would do exactly that, extend it for a
11 period of 90 days. What is the expected number?

12 When we discussed the amnesty, we knew the pool that
13 would qualify, did we have a projection on how many
14 businesses or individuals would participate?

15 DEPUTY COMMISSIONER JEFF SHEAR: So, we
16 did not have a projection in terms of the number of
17 participants. We did have a projection regarding the
18 revenue. So, we felt that the program would bring
19 \$40 million dollars. As you know, we ran a very
20 similar program 5 years ago, and that program brought
21 in \$45 million dollars. So, as of the date that I
22 gave the numbers, we were slightly ahead of pace
23 compared to 5 years ago, and the challenge that we
24 face is that I believe half of the revenue that we
25 received 5 years ago came in the last week. So,

2 there is definitely a rush at the end which is
3 consistent with other programs we've ran that have
4 deadlines, human nature, lots of people waiting until
5 the last minute. Now, I want to be clear, we are not
6 using this as an excuse to say that we're not going
7 to extend, but you now, in the interest of
8 transparency, want to let you know that yes, we're
9 ahead of pace, but where we end up compared to 5
10 years ago is still very much uncertain because of how
11 much revenue we've received at the last minute.

12 CHAIR MARK GJONAJ: And that information
13 is as of what date?

14
15 DEPUTY COMMISSIONER JEFF SHEAR: That's
16 as of December 7th.

17 CHAIR MARK GJONAJ: I understand the
18 concern, and I hope perhaps, I don't think it's
19 intuition as much as it is. It requires going out
20 (inaudible) to take advantage, so the amnesty is not
21 a (inaudible). They still have to pay a reduce fine,
22 although the interest and penalties have been reduced
23 and the face value of the original violation dollar
24 amount has been reduced. It still means you have to
25 pay to take advantage.

2 DEPUTY COMMISSIONER JEFF SHEAR: Yes, it
3 does. You are correct, sir.

4 CHAIR MARK GJONAJ: It is extremely
5 difficult when they're trying to survive. So, I can
6 understand why they would hold onto the money as long
7 as they can.

8
9 DEPUTY COMMISSIONER JEFF SHEAR: Yes.

10 CHAIR MARK GJONAJ: Maybe they don't have
11 it, or there are certainly uses of that money, and
12 they're going to wait cause they're making a business
13 decision. That's capital that they can use and we
14 invest in their business today instead of spending it
15 on the amnesty. So, it's understandable. Is there
16 anything else that you can add to this that we can do
17 to help educate or encourage the 90-day expansion of
18 this amnesty? What should industry holder being
19 doing today to help continue the 90-day potential as
20 well as get the word out or take advantage of this.
21 Can you share any of your thoughts?

22
23 DEPUTY COMMISSIONER JEFF SHEAR: Yes,
24 well, certainly in terms of getting word out, if you
25 or any other council member wants to partner with us
on an event, a press release, we are very interested

2 to hear that. We have been running a social media
3 campaign as well, so given that only 10 days remains,
4 doing an event might be challenging, but we in our
5 press office very much would be anxious to work with
6 you or any council member who wants to do join
7 publicity to get the word out. In terms of the
8 possible extension, I think we're very interested in
9 hearing from you and other council members, so you've
10 made your thoughts clear, and I should say one of the
11 things that we are monitoring is whether people who
12 are trying to get amnesty are having any difficulty
13 achieving compliance. So, as you may know, the ECB
14 violations consists of two types. There are simple
15 fines. Those are, for example, accessed by the
16 Sanitation Department and those simply require a
17 payment. There are other violations that come before
18 the Environmental Control Board that require
19 compliance. So, these, for example, are violations
20 issued by the Department of Buildings and other
21 agencies. So, paying is not sufficient. You also
22 have to correct the underlying situation. So, what
23 we have been doing, we've been in close contact with
24 the Department of Buildings, the Fire Department,
25 Department of Environmental Protection, all of the

2 many issuing agencies and we've been monitoring to
3 see that they've been able to keep up with compliance
4 requests, and we do have a customer relationship
5 manager, a way for customers to contact us directly,
6 and we've been monitoring inquiries on that. So far,
7 the number of incidents has been small, but it's
8 something that we are closely monitoring and if there
9 were to be reports of difficulties, we would
10 certainly take that into account when deciding
11 whether to extend the program for an additional
12 amount 90 days, and obviously, you and other council
13 members help to be our eyes and ears on the ground,
14 so we would be interested in hearing from you.

15 CHAIR MARK GJONAJ: Awesome. May I also
16 make another suggestion to you? Can you perhaps, and
17 I'll do it on my end, can you reach, can your
18 department reach out to other council members to
19 educate them that hey, we need to get the word out,
20 10 days left, to your small business communities and
21 individuals that can participate, but that would be
22 (inaudible) if permitted, giving them the data that
23 they need and council member, in your district, you
24 have 12,000 homes and properties that have these
25 violations that have 10 days left for (inaudible).

2 They can do their own out, perhaps their own mailing,
3 their own door-to-door campaign to help get the word
4 out to the small businesses. Perhaps that would not
5 only help get the word out but serve as a reminder to
6 the council members that they can be helping their
7 constituency.

8 DEPUTY COMMISSIONER JEFF SHEAR: We will
9 reach out to the council. That's an excellent
10 suggestion.

11
12 CHAIR MARK GJONAJ: Will you be able to
13 give them a break down of the violations that
14 currently exist in their districts?

15 DEPUTY COMMISSIONER JEFF SHEAR: I don't
16 know if we're going to be able to do that given the
17 time constraints. We will look into that, but we'll
18 certainly reach out. We certainly can propose
19 suggestive language if they can, whether email, if it
20 meets their satisfaction that they would want to send
21 out, I will look into whether we can break down the
22 stats by council district. I don't know if we can do
23 it within the time period that we have left.

24
25 CHAIR MARK GJONAJ: Do you know what
would be easier for us? Zip codes. I know you can

2 do it with a push of a button, identify the zip codes
3 and I know there would be overlapping and ...

4 DEPUTY COMMISSIONER JEFF SHEAR: Yes.

5
6 CHAIR MARK GJONAJ: But that would give
7 them an estimate that I think they can then further
8 look into and we can provide them with the details of
9 how they can do their own research in their
10 districts.

11 DEPUTY COMMISSIONER JEFF SHEAR: Yes, I'm
12 sure it's easier by zip code. I know it's harder
13 than pushing button, but we will look at that as an
14 alternative.

15
16 CHAIR MARK GJONAJ: (Inaudible) Deputy,
17 and I'm not questioning your ability to do so, and I
18 hope that by the close of business day today that you
19 inform that email has gone out.

20 DEPUTY COMMISSIONER JEFF SHEAR: Okay.

21
22 CHAIR MARK GJONAJ: Thank you, Deputy
23 Commissioner. We've been joined by Council Member
24 Dinowitz and again, I'll ask Stephanie if anyone has
25 any questions for either the Deputy Commissioner or

2 Commissioner Doris, please use the raise hand
3 function.

4 COMMITTEE COUNSEL STEPHANIE JONES: Thank
5 you, Chair. We'll pause a moment to allow the
6 council members to raise their hand if they want to
7 ask a question.

8
9 CHAIR MARK GJONAJ: Okay, and now
10 concerning my next question then for Commissioner
11 Doris. SBS worked with recently created Office of
12 Street Vendor Enforcement to protect brick and mortar
13 small businesses or do they currently with this newly
14 created Department of Street Vendor Enforcement?

15 COMMISSIONER JONEL DORIS: I'm sorry, I
16 didn't hear you good. So, are we working with the
17 Office of Street Vendor Enforcement at DCWP?

18
19 CHAIR MARK GJONAJ: Mm-hmm.

20 COMMISSIONER JONEL DORIS: Yeah, yeah, of
21 course we are in contact with our colleagues at DCWP
22 and also not only us at DOT, DOH, MHPD, everyone is
23 represented on that according to Local Law 18, the
24 requirements there, so yeah, we're all at the table
25

2 and communicating with our colleagues at DCWP whose
3 leading the charge.

4
5 CHAIR MARK GJONAJ: Can you give us any
6 information on (inaudible) inundated by small
7 businesses cargos that have had a tremendous amount
8 street vendors appear competing directly with brick
9 and mortar and some of the unfortunate incidents as
10 well as unintended consequences as well as the
11 undermining of brick and mortar challenges that they
12 have in confronting these street vendors that have
13 created everything from not only direct competition,
14 but have taken up sidewalk space that's limited,
15 preventing them putting out their own products,
16 creating litter, noise, including odors from food
17 vendors that are entering establishments. Can you
18 help by explaining your communications and
19 interactions that you've heard and what we can do to
20 help address some of the issues?

21 COMMISSIONER JONEL DORIS: Yeah, sure, I
22 mean, you know, the Local Law 18 is you know, serves
23 to address some of these long-term challenges that we
24 see when we walk the corridors and speak to both
25 street vendors and brick and mortar businesses and
try to figure out how do we address of both of their

2 concerns. For us, the street vendors are business
3 owners as well as brick and mortar businesses, and so
4 for SBS, we have to provide the resources that either
5 of these businesses may need. I think the bigger
6 challenge needing to be addressed by the committee is
7 to deal with some of the systemic issues and that's
8 why I think it's a great collection of folks from the
9 council that's recommended, the mayor's recommended
10 the agency side and there's lot of conversation
11 happening there and certainly they released their
12 suggestions and recommendations, etc. But certainly,
13 you know, we worked, as you know, with both entities
14 to ensure that whatever assistance and follow through
15 that they may need, they're getting, and we are
16 participating, our team is participating in the
17 committee as well that's reviewing all of these
18 issues.

19
20 CHAIR MARK GJONAJ: Okay, the obstacles
21 that you can help them to, (inaudible) provide
22 additional resources or approaches on how we handle
23 the concerns?

24 COMMISSIONER JONEL DORIS: Yeah, I think
25 in general from the SBS side, for instance, we've
partnered with some of the advocates from the street

2 vendor side in conjunction with some local groups who
3 again, are seeking to give the assistance to the
4 street vendor community that they need, and of
5 course, we work with all of the brick and mortar
6 businesses and again, communication, understanding
7 what the requirements are, what you need, how we can
8 get it, how we facilitate that, understanding each
9 other as well, like the complications on both sides,
10 but from again, I want to defer a bit here to this
11 advisory board that was created by the law who are
12 examining this particular issue right now in extreme
13 detail and we'll put forth their recommendations, and
14 so, again, which agencies, the street vendor
15 community, the brick mortar community are chambered,
16 everyone is involved there, and I think that's the
17 right way forward. I think the council put that
18 forth when they passed that Law, and I think that's
19 the right for it, get everybody to the table, let's
20 discuss this, and see what we can come up with that
21 really addresses this matter on multiple fronts which
22 really have to deal in order for us to keep moving
23 forward as a city.

24

CHAIR MARK GJONAJ: Thank you,

25

Commissioner. The frequent complaint I receive is

2 small businesses still face issues with the street
3 vendors, the response time, type of enforcement, the
4 follow-up. So, it's one thing that it takes a
5 considerable amount of time to have someone from this
6 unit come out to address the issue and then
7 immediately by lack of follow-up because (inaudible)
8 including I received a tremendous amount of
9 complaints from the ADA community on being able to
10 navigate the city's streets that are not cluttered
11 and blocked and have become obstacles for them to
12 navigate through, but the issue is the response time,
13 and then the follow-up when a street vendor that is
14 noncompliant is removed, there are several of them
15 removed from (inaudible), they're coming back the
16 following day. They are being moved from one
17 corridor to another corridor, and they're relying on
18 SBS to actually be the voice in this thinktank group
19 that you're apart of. Is there any expectation that
20 SBS is being the vocal group on these concerns, and
21 the approaches that you suggest can be adopted to
22 address the issues?

23
24 COMMISSIONER JONEL DORIS: Yes, look, Mr.
25 Chair, you know, we, again, we have a constituency of
businesses, and that's street vendor businesses and

2 brick and mortar businesses. Obviously, we do manage
3 and oversee all the bids in the city from an
4 oversight standpoint and also work with them very
5 closely, and so we are also presenting their
6 concerns. We are also partnering with street vendor
7 projects and others in other cases and are presenting
8 the challenges that those vendors do face as well as
9 small businesses, and so, you know, I think the
10 advisory board is, I think, very strategic in the way
11 that it has all these voices at the table and I
12 certainly look forward to the proposals and
13 recommendations that are coming out of there because
14 I think that's the best place in which a lot of this
15 should be tackled, with everybody who is involved and
16 has a stake in this at the table. I think they're
17 working through that now and certainly, you know, we
18 look forward to hearing and seeing what comes out of
19 that, but I believe that that's the appropriate place
20 and we are at the table and we are doing our jobs at
21 SBS, we're advocating for small businesses in
22 general, and obviously bringing the concerns of both
23 communities to the table as that is our role here,
24 but you know, I think, that this is the right place.
25 I think the council did the right thing in setting up

2 the advisory board, the enforcement office, etc. I
3 think all that addressed some of these systemic and
4 very challenging and complicated issues that
5 businesses are facing in this particular matter. So,
6 yeah, I think, you know, we're leaning in a bit into
7 that board to help bring us to where we need to be.

8 CHAIR MARK GJONAJ: Because you've been
9 interacting with this board, do you know how many
10 complaints have come in on street vendors?

11
12 COMMISSIONER JONEL DORIS: I do not. I
13 mean, I believe we can talk to our colleagues at DCWP
14 and get a sense of what that is.

15 CHAIR MARK GJONAJ: Is there anyone from
16 DCWP who can help address this or answer some of
17 these questions, Stephanie?

18
19 COMMITTEE COUNSEL STEPHANIE JONES: No,
20 Chair, no one from DCWP today.

21 CHAIR MARK GJONAJ: I understand that
22 some of the (inaudible) and businesses really have to
23 wait months for any type of action. That is just a
24 basic walk through to address their complaints. Many
25 of them have given up on complaining, calling in, and

2 wasting their concerns, a lack of follow-up, and that
3 may be because we didn't put the number of resources
4 in place, actually put the enforcement out there in
5 the numbers that are needed. Any thought?

6
7 COMMISSIONER JONEL DORIS: Just to say I
8 think on the specifics surrounding enforcement, and
9 those, you know, our colleagues at DCWP would be best
10 to answer, and again, you know, just the membership
11 alone of that board, I think, speaks to the
12 seriousness of the matter. I think it speaks to the
13 urgency of the matter and the intentionality of the
14 city and the council to address it. So, council
15 member, I'm with you about you know, this is a very,
16 very, very important matter and I think, you know, as
17 we walk through this with that board where they are
18 tackling these same issues, these very issues right
19 now, you know, they're meeting and they're
20 addressing, and again, the make-up of that board is
21 really telling the outcome we will see, where the
22 street vendors are there, the brick and mortar is
23 there, the chambers is there, real estate community
24 is there, immigration community is there, the bid
25 community is there; I really think we have a solid

2 group of folks seriously looking at this particular
3 matter.

4 CHAIR MARK GJONAJ: I just want to bring
5 up something that comes to mind in my recent
6 interaction with the small businesses. They were
7 seen and fined for sanitation tickets that are being
8 created by the street vendors and because the street
9 vendor doesn't have a legal address, they issue the
10 fine to the brick and mortar that is being created by
11 a street vendor. In addition, the debris that is
12 accumulated while the street vendors are out there,
13 they're using the corner baskets for their garbage
14 cans which overflows and then creates another program
15 for these commercial corridors that just can't keep
16 up. I'm not talking about; we're talking about bags
17 that are placed in the trash cans that prevent any
18 additional trash from being placed into it as well as
19 the debris that also gets thrown on the floor and
20 scattered by the wind and others. I bring that to
21 your attention and I'm sure it's come up in
22 conversation, but I didn't realize how serious it
23 was. Literally, dozens and dozens of garbage bags
24 placed in and around the trash can that is meant for
25 pedestrian use that is now not available, and they're

2 just throwing their papers on the floor and creating
3 a litter conditions that businesses cannot compete
4 with. That burden is phenomenal. That's just one
5 that comes to mind. Stephanie, do any of the council
6 members have any questions?

7
8 COMMITTEE COUNSEL STEPHANIE JONES: Now,
9 we'll provide another opportunity. If any council
10 members have questions, please raise your hand on
11 Zoom now.

12 CHAIR MARK GJONAJ: Commissioner, if no
13 one has any other questions for you, I want to thank
14 you, truly thank you for your friendship, your
15 partnership, and your commitment and the work that
16 you've done with your entire team to the small
17 business community. You have been an extremely
18 valuable voice and a resource to these small
19 businesses. I'll never find the words to thank you
20 because you didn't do this from the convenience of
21 your home, and in many cases, we walked together in
22 commercial corridors, interacted with these business
23 owners, shared information, introduction, and it's
24 come a long way. I hope you will continue that active
25 engagement dealing with business by business in each
commercial corridor. The experience has been one

2 that has made me a better legislator and a better
3 person, and more understanding of the various
4 businesses that are out there and the different needs
5 and issues that they face, so thank you for that, and
6 thank you to your entire team for their commitment
7 and their hard work in making it really an honor for
8 me to be able to share and work with them as we
9 continue to make this the greatest city in the world.
10 Thank you.

11
12 COMMISSIONER JONEL DORIS: Thank you, Mr.
13 Chair, and thank you as well. You know, I was
14 reminiscing the first time when I took over this
15 position, May 11th, 2020, a few weeks, I think within
16 the first two weeks, I was out with you in the Bronx.
17 That was my first interaction coming out in the
18 height of the shutdown and the pandemic and we walked
19 and talked to those businesses and gave out
20 information and heard from them, and came back and
21 created policies to help solve some of those
22 challenges those businesses were facing and we had
23 several more of those in your area, your district,
24 and then out of your district too, in other parts of
25 the city together doing this work. So, thank you for
your commitment, sir, as well, the entire committee,

2 the entire council, certainly it was an honor to work
3 with you during this time as well and your art and
4 advocacy for small businesses. So I appreciate you
5 too, sir, and certainly SBS, I know, our team here, I
6 would like to also thank them and giving them lots of
7 credit, walking those corridors, 175 we've done
8 already, which there more now, as of yesterday and
9 today, and so we want to make sure our city comes
10 back and comes back in an equitable way and that you
11 all have been great partners in helping us to get
12 there. So, thank you, sir.

13
14 CHAIR MARK GJONAJ: Thank you.
15 Stephanie, unless anyone has any questions ...

16 COMMITTEE COUNSEL STEPHANIE JONES: Yes.
17 I saw Council Member Brooks-Powers had her hand
18 raised. Council member, we'll be limited questions
19 and answers to five minutes. Please proceed.

20 COUNCIL MEMBER SELVENA BROOKS-POWERS:
21 Sure, thank you and good morning. It wasn't really a
22 question. I just wanted to acknowledge and thank
23 Chair Gjonaj for his leadership on this committee.
24 It's been an amazing time serving on this committee
25 with you as well as thanking the council staff and to

2 Commissioner Doris, Southeast Queens owned. I know
3 he's originally Brooklyn, but we claim her in
4 Southeast Queens. Thank you for your partnership,
5 for coming out to my district multiple times and I
6 look forward to working with you in the future to
7 continue fighting a good fight for our MWBEs and
8 local small businesses. So, thank you so much.

9
10 CHAIR MARK GJONAJ: Thank you, council
11 member. Thank you Council Member Brooks-Power, and
12 you know, nobody's perfect, and Commissioner, you
13 don't come from the Bronx, so I understand.

14 COMMISSIONER JONEL DORIS: I love the
15 Bronx though; I love the Bronx.

16 CHAIR MARK GJONAJ: Thank you, my dear
17 friend, and I'm sure you and your team will be
18 staying on as we get into the public testimony
19 portion of the panelist. So, thank you.

20
21 COMMISSIONER JONEL DORIS: Thank you so
22 much.

23 COMMITTEE COUNSEL STEPHANIE JONES: Thank
24 you. We will now turn to public testimony. I'd like
25 to remind everyone that unlike our typical council

2 hearings, we will be calling individuals one-by-one
3 to testify. Each panelist will be given five minutes
4 to speak. Please begin once the Sergeant has started
5 the timer. For this portion, as well, council
6 members who have questions for a panelist, should use
7 the raise hand function in Zoom, and I will call on
8 you after that panel has completed their testimony.
9 For panelist, once your name is called, a member of
10 our staff will unmute you and the Sergeant-At-Arms
11 will give you the go ahead to begin upon setting the
12 timer. Please wait for the Sergeant to announce that
13 you may begin before delivering your testimony. As a
14 remind, your testimony must be limited to five
15 minutes. I would now like to welcome Michelle Shank
16 to testify, followed by Sang Rocsa. Michele.

17 SGT. LEONARDO: Starting time.

18
19 MICHELLE SHANK: I'd like to thank Chair
20 Gjonaj and the members of the committee for holding
21 this hearing. My name is Michelle Shank and I'm the
22 small business technical assistance coordinator at
23 the Asian American Federation. Through our small
24 business program, we serve Asian and small businesses
25 across the city. Inspection and violations problems
are one of the main issues that our business owners

2 face. So, I want to speak to the committee about the
3 particular difficulties that immigrant and low
4 English proficiency small business owners face at
5 every single step of the regulatory enforcement
6 process. First of all, there's a serious lack of in-
7 language compliance education. As a result, business
8 owners often just don't understand the minutia of
9 various department codes. Early COVID-19 regulations
10 are a great example of this. We are constantly
11 changing without sufficient in-language outreach, so
12 business owners were stuck with tickets for apartment
13 that they didn't even know about to begin with. In
14 contrast, AF would like to applaud the implementation
15 of the Key to NYC initiative and would like to thank
16 the Asian community leaders and SBS, in particular,
17 as a coordinator with community organizations, in
18 order to do far-better in-language outreach.

19 Inspectors on Key to NYC also prioritize education
20 and warning over issuing violations and penalties.
21 So, we'd really like to see an expansion of these
22 kinds of efforts. This also leads me into my second
23 point, which is that inspection procedures are often
24 particularly onerous for LEP business owners who have
25 trouble communicating with inspectors. While we know

2 that in theory, language learning access is available
3 to inspectors, we continue to receive cases where
4 inspectors made no efforts to communicate with
5 business owners in the language. These language
6 barriers and inspection practices lead to hostile
7 inspections and repeated follow-up inspections.
8 Inspection data on the open data system suggest that
9 indeed there are more restaurant inspections in
10 neighborhoods where Asian businesses dominate the
11 commercial corridor. This lack of communication and
12 repeated inspection practice in immigrant
13 neighborhoods has seriously eroded trust in the city.
14 Third and lastly, there is a lack of support in the
15 follow-up process for violations. Navigating oath
16 and city agency websites is very confusing for
17 English speakers already, but it is almost impossible
18 for LEP business owners. As a result, immigrant
19 business owners are often unaware of the fact that,
20 for example, in addition to paying the fine for a
21 ticket, they also have to obtain a certificate of
22 compliance, meaning that they may have an open
23 violation on their records for years and not even
24 know about it. AF would like to applaud efforts like
25 Local Laws 80 and 81 to reduce penalties on

2 regulations; however, the scope of these efforts as
3 noted is limited. So, we'd really like to see these
4 kinds of efforts expand to different sectors,
5 especially immigrant-led sectors. To this end, AF
6 request that the city council first prioritize in-
7 language compliance education. Second, offer small
8 business relief through reducing civil penalties,
9 expanding efforts like Local Laws 80 and 81. Three,
10 introduce a streamline system of inspection feedback
11 to allow for businesses to report harassment and lack
12 of language access. Fourth, advocate for city
13 agencies to hire more culturally competent
14 inspectors. Fifth, and lastly, expand language
15 access and culturally competent assistance in SBS
16 programs. I'll be submitting a written testimony
17 with more details on my recommendations and concerns
18 and thank you again to the committee and to the Chair
19 for your efforts to help small businesses and I hope
20 we can work together to ensure that they continue to
21 flourish.

22 CHAIR MARK GJONAJ: I want to thank you
23 for that and I'm glad that you're submitting your
24 testimony in writing, and I promise to follow up and
25 (inaudible) will also follow up with you and the

2 suggestions that you've made are valid and are worthy
3 of exploring. Not only exploring, but (inaudible) in
4 this effort. So, I'm grateful to you for your
5 testimony and the voice that you are for these small
6 businesses. Thank you.

7

MICHELLE SHANK: Thank you.

8

9 COMMITTEE COUNSEL STEPHANIE JONES: Thank
10 you, Michelle. I believe that concludes our public
11 testimony. If we have inadvertently missed anyone
12 who has registered to testimony and has yet to be
13 called, please use the Zoom raise hand function and
14 you will be called on in the order that your hand was
15 raised. Chair, seeing no hands raised, we will
16 proceed with your closing remarks, please.

17

CHAIR MARK GJONAJ: Thank you, Stephanie.

18

19 I want to thank all of those that participated in
20 today's hearing and throughout the four years as
21 Chair of Small Business. We've been able to do quite
22 a bit together. Obviously, we have a lot more to do,
23 and I've never felt more committed to being a voice
24 for small businesses. New York City needs our small
25 businesses and should value them as the partner that
they are to the well-being of this city. We're going

2 to continue this, and I want to give a special shout
3 out to Stephanie, Noah, Allia, and the entire team,
4 including the Sergeant-at-Arms for their work on this
5 committee and the work that they do for the city
6 council. I am grateful, and I'll never be able to
7 find the words to truly express my gratitude towards
8 you. Sincerely, you have made it a pleasure for me
9 to serve this city. Thank you all. With that, this
10 will conclude our hearing today on small business.
11 Thank you.

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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 4, 2022