

New York City Economic Development Corporation

Testimony of President & CEO Andrew Kimball

New York City Council, Committee on Economic Development

Preliminary Budget Hearing – Economic Development

March 23, 2023

Introduction

Good morning, Chair Farias, and members of the Economic Development Committee. Thank you for having me today.

For those who don't know me, I'm Andrew Kimball, President and CEO of the New York City Economic Development Corporation (EDC). I'm joined by Jennifer Montalvo, my Chief of Staff.

Over the last year, I've worked in partnership with all of you to carry out EDC's mission: to create a vibrant, inclusive, and globally competitive economy for all New Yorkers. That's what I'll talk about today. I want to especially thank Chair Farias for her partnership, along with Speaker Adams for her leadership of the Council.

EDC's overall work / strategy

Last March, I stood with Mayor Adams and Deputy Mayor Torres-Springer in Hunts Point to announce the Mayor's economic Blueprint for Recovery, a 70-point plan across government to drive the City's economic rebound from the pandemic.

Exactly one year later the Blueprint is working. We've regained 99.4% of the nearly one million jobs lost and expect to surpass 2019 employment levels in the coming months. Workforce participation is at its highest level since 1976, the year government began to track this data. One in nine of all NYC businesses opened in the last twelve months, a testament to the strength of NYC's small business and start up culture. And office occupancy has doubled in the last year.

But as the Mayor has made clear, getting back to the pre-COVID economy is not enough. Significant challenges lie ahead. While the unemployment rate is down overall, it is persistently higher in the Bronx than other boroughs and in the black community, with the unemployment rate for black New Yorkers four times that of white New Yorkers. We want to work closely with the Council to address this challenge head on.

With the instability in the banking sector over the last two weeks, the city's 355,000 New Yorkers in tech sectors would have been particularly impacted without the strong leadership from the Mayor and Governor and decisive Federal intervention. As we work

to grow the tech sectors of today and tomorrow we must do more to ensure equity is centered in our strategy, creating on-ramps for diverse entrepreneurs and workers.

And, finally, as we grapple with the new reality of remote work, we must collaborate with communities across the city to ensure that they become vibrant live, work, learn and play neighborhoods.

Since the release of the Mayor's Blueprint, EDC has advanced the goals of this bold five-borough plan—from investing in Hunts Point to building our life sciences and public health workforce with SPARC Kips Bay to transforming Willets Point.

And in December, the Mayor and the Governor executed a key component to the blueprint: announcing the “New” New York Panel joint action plan, a set of 40 proposals intended to make New York City the best place to work and serve as a roadmap for the city's future. These proposals came after six months of work from an esteemed panel consisting of community, civic, academic, and industry leaders, co-chaired by former Deputy Mayors Rich Buery and Dan Doctoroff. We appreciate the support of Speaker Adams and the Council for many of the “New” New York priorities, including office to residential conversions and raising the 12 FAR cap to finally address our housing crisis with the urgency it needs.

To help track the city's economic recovery, EDC launched the NYC Economic Snapshot, a monthly report on employment and other key indicators, a copy of which is attached to my testimony as Exhibit A.

Still, there's much to do to achieve the truly inclusive economy New York City deserves.

EDC's strategic priorities

To achieve our mission, we take a comprehensive approach through four main strategies: (1) strengthen confidence in NYC as a great place to do business; (2) grow innovation industries, focusing on equity; (3) build neighborhoods as places to live, learn, work, and play; and (4) deliver sustainable infrastructure for communities and the city's future economy.

But what does this mean in practice?

First, strengthening Business Confidence in NYC means ensuring that industry leaders, entrepreneurs, investors, and top talent have confidence that NYC—the world's tenth largest economy—is the best city in the world to do business.

Our Business Development team, a group we built up over the last two years to maintain and grow NYC's business footprint and create jobs, has been hard at work. Over the last

year, the team's efforts led to over **6,000 jobs** created or maintained through more than **15 companies** across industries.

Following a successful effort in 2021 to keep **JetBlue's** headquarters in NYC, the company hosted a jobs fair at JFK Airport last summer where they hired 1,000 New Yorkers on the spot—among 5,000 total NYC hires in 2022.

We also helped companies around the boroughs, from the tortilla manufacturer **Tacombi**, which opened in Sunset Park, creating 90 jobs; to **Urban Hawker**, a Singaporean food hall that brought 100 jobs to Midtown; to **Amplify**, an edtech company that expanded to DUMBO, bringing 175 jobs.

Last June, NYC kicked-off its bid to host the 2024 **Democratic National Convention**, an event that can generate hundreds of millions of dollars of economic activity. EDC has played a crucial role in showcasing all the city has to offer. We also worked alongside NYC&Co, the City's tourism and events arm, to help bring **the 2026 FIFA World Cup** to NYC, an event that will showcase New York on a global stage.

Second, growing innovation industries, focusing on equity means ensuring that key industries succeed, that more good jobs are available and accessible to all New Yorkers, and that diverse entrepreneurs and small businesses thrive. We support emerging industries like biotech and materials science, climate tech, AI machine learning, and cyber, advanced manufacturing and the circular economy—as well as traditional sectors EDC has supported for years, like tv & film, digital gaming, and food.

Our partnerships with **CUNY and the DOE** are vital to creating career pathways for New Yorkers of all backgrounds. EDC has 12 active workforce projects with CUNY and the DOE, spanning our target industries. In offshore wind, for example, we're partnering with CUNY through \$4 million in City funding to train students at six colleges for careers in this growing, well-paying field.

Then there's **SPARC Kips Bay**, located on the Brookdale campus in Kips Bay. A first-of-its-kind life sciences, health jobs, and education hub and a City and State partnership, SPARC will bring together three CUNY schools – a two-year community college, BMCC, a four-year college, Hunter School of Nursing, and a graduate school, The School of Public Health, as well as a DOE High School, all focused on public health and biotech careers. The SPARC campus will also include two city agencies focused on public health as well as 750,000 sf of private biotech companies. The schools and their 4,500 students on the SPARC campus, along with private business and government agencies, will form a unique ecosystem providing exposure, internships and apprenticeships leading to careers as entrepreneurs and workers in these fast-growing fields. Overall, the project will generate \$25 billion in economic impact over 30 years but, even more importantly, transform lives.

The SPARC campus will build on our \$1 billion LifeSci NYC initiative also includes the **LifeSci NYC Internship Program**, which has placed over 500 diverse students in paid internships with host companies since 2017.

And there is our new effort to make NYC the global center of using materials science to address climate change and meet the City's carbon-neutral goals. The initiative will be anchored by a first-in-the-nation incubator at **Brooklyn Navy Yard**, through a \$20 million LifeSci NYC investment, to support the growth of startups and companies.

In **offshore wind**, we announced a deal to transform the **South Brooklyn Marine Terminal** into one of the nation's largest offshore wind port facilities—bringing jobs and workforce training for local residents, and helping the city meet its clean energy goals. Our partnership with Equinor **centers equity in the industry**, and led to the **Offshore Wind Ecosystem Fund**, a \$5 million grant program to support sustainable growth, workforce development, empowerment of underserved communities, and climate justice.

In tech, we launched the **Cyber NYC Internship Program**, which facilitates paid internships, building a talent pipeline for the industry and connecting diverse New Yorkers to this fast-growing sector.

The Venture Access NYC **Founder Fellowship** kicked off in February 2022, providing eight founders from underrepresented backgrounds with access to resources and opportunities to build and scale their companies in NYC. Then, last month, the program expanded with a \$1.5 million mayoral investment to support **100 tech founder teams**.

And, near Union Square, we look forward to launching **Civic Hall** in September 2023, a hub of NYC's growing tech economy that will bring together and provide resources to 21st century job seekers, entrepreneurs, small startups and established companies.

Going beyond tech, the **Cannabis Equity Fund**, an EDC-led effort in partnership with SBS and New York State, will provide low-interest loans, training, and technical assistance—to ensure that the communities most deeply impacted by the War on Drugs can take advantage of the State's full release of cannabis licenses later this year.

Third, Delivering Sustainable Infrastructure. This means delivering the infrastructure and buildings the city needs not just today, but also for challenges ahead—to make our city and communities more efficient and resilient to climate change. We carry out this work through **our \$9 billion capital budget**, mitigating the effects of climate change along waterfront communities, planning urban mobility, innovating freight distribution, and helping to build sustainable and resilient critical services like the H + H hospital system and public libraries.

Last summer, the mayor launched **NYC Ferry Forward** to create a more equitable, accessible, and fiscally sustainable citywide system. The plan includes reduced fares for seniors, people with disabilities, and low-income riders; a progressive fare structure; and free trip vouchers and expanded outreach to NYCHA residents. We thank Chair Farias for her partnership on new legislation to codify our discount program into law, and to expand the program even further—to provide discounts for high school students in all five boroughs.

To help reduce traffic on our streets, NYC was awarded a **\$5 million+ federal grant** secured by EDC, to upgrade six landings in New York Harbor in Manhattan, Brooklyn, and the Bronx for micro-mobility, moving last mile deliveries from trucks to barges and electric vehicles and bikes. We're also partnering with DOT on a broader freight master plan to get freight off the roads and onto the water.

Growing a greenway network that gets cars off the roads and people to work, while improving our health and quality of life has long been an EDC priority. This year, through a **\$7.25 million federal grant**, we're working with Parks and DOT on the city's first comprehensive greenway vision plan in 30 years, focusing on historically underserved, lower-income communities that lack access to affordable transportation and job opportunities.

Commitment to inclusive economic development + equity

As I said earlier, part of our mission is for a vibrant, *inclusive* economy, and this is only possible if equity permeates all of our work.

Our efforts have already borne fruit, especially for **minority- and women-owned businesses**. In FY22, over 38% of our contract awards went to M/WBEs, surpassing both our internal 35% goal and the City's 30% goal. Further, awards to M/WBEs in FY22 totaled \$310.7 million, a new annual record for EDC.

Our **ConstructNYC program** builds M/WBE firms' capacity and equips them to better compete for projects. In September 2022, we issued an RFP, laying the groundwork to expand the program beyond EDC projects into DCAS's \$4 billion green retrofit capital project pipeline. We also launched the **Offshore Wind Waterfront Pathways Program** to assist M/WBE contractors looking to break into waterfront or resiliency work.

Now let's take a look across the five boroughs and dig into our fourth strategy:

Building Neighborhoods Where People Live, Learn, Work, and Play. This means shaping the growth of industry clusters and business districts, bringing jobs closer to where people live, and making sure our neighborhoods serve all New Yorkers' needs.

Our Work in Staten Island

On the **North Shore of Staten Island**, we are working with the community, Council Member Kamillah Hanks, and the council on a master plan, reactivating a long-stalled project, and prioritizing housing, job creation, and waterfront public access. The plan will connect the communities of Stapleton and Tompkinsville to St. George and the ferry terminal, and bring over 2,000 units of new housing.

Looking to the **West Shore**, we announced a conditional developer to turn the **Rossville Municipal Site** into an offshore wind port. The site will create a jobs center, with a focus on good manufacturing and industrial jobs for local communities. The deal also includes State funding for the College of Staten Island to help train the next generation of professionals for offshore wind careers. We appreciate Council Member Joseph Borelli's support of our offshore wind work.

This future development—and the port underway in Sunset Park—are the first phase of enormous potential local job and supply chain opportunities in every borough. We'll learn more soon when the State announces the proposals selected for their third round of offshore wind procurement.

Our Work in Queens

In Queens, we advanced a future for **Willels Point** that will bring opportunity to a long-underserved community—including the city's largest 100% affordable housing development in a generation and NYC's first soccer-specific stadium, **100% privately financed**, overall bringing an estimated \$6.1 billion in economic impact to the city over 30 years. We thank Council Member Francisco Moya for his partnership on this ground-breaking project.

In Jamaica, we're starting on design on a long-awaited project at **Station Plaza** that will bring two public plazas, increasing pedestrian safety and open space in a key commercial corridor. We appreciate working with Council Member Nantasha Williams and the Downtown Jamaica Taskforce on this project.

In Downtown Far Rockaway, we opened **Beach 21st**, an affordable housing and mixed-use development at a formerly vacant City site. This brought 224 affordable homes and infrastructure upgrades, delivering on key commitments from the Downtown Far Rockaway Roadmap for Action.

Our Work in Manhattan

In Manhattan, we announced the first-of-its-kind Immigrant Research and Performing Arts Center (**IRPAC**). Part of the Inwood NYC Neighborhood Plan, IRPAC will offer

educational and artistic opportunities rooted in equity and social justice, while supporting local artists. We thank Council Member Carmen De La Rosa for her partnership on this work.

In East Harlem, archeological work will finally soon be underway at the **126th Street Harlem African Burial Ground Memorial and Mixed-Use Project**.

And along the waterfront in both Inwood and Harlem, recent community visioning sessions are driving progress at gaps in the **greenway**.

Farther south, the **East Midtown Greenway** saw the installation of its pedestrian walkway over the FDR Drive at 54th Street, creating safer access to the greenway and Andrew Haswell Green Park.

In Lower Manhattan, we released the **FiDi Seaport Master Plan**, which will create a resilient waterfront to protect the area and its nearly 1 million residents, workers, and commuters.

Our Work in Brooklyn

In Brooklyn, we kicked off the first phase of the **CARE strategy**, with the groundbreaking on the largest-ever commercial building in Broadway Junction. CARE utilizes City offices to create new commercial centers—bringing quality jobs, services, and amenities to neighborhoods across the city. We thank Council Member Sandy Nurse for her partnership on Broadway Junction.

In Sunset Park, we're looking forward to opening the doors at the **Made in NY Campus** later in the year, and beginning construction on the campus's film and TV facilities.

Brooklyn Army Terminal continues to be a big part of our presence in Sunset Park—with over 4,000 people employed in industries from food manufacturing to advanced manufacturing. We appreciate our partnership with Council Member Alexa Aviles to leverage our properties in Sunset Park to create economic opportunity for the community.

In East Williamsburg, the **Moore Street Market** is top of mind, and we're working with Council Member Jennifer Gutierrez on a vision for the future of the famed public market.

And in **Coney Island**, recovery was on full display this past summer. Walk around the amusement district and you can see the enormous capital investment now coming out of the ground triggered by the 2009 rezoning. And there's a new phase of infrastructure work just underway.

Our Work in the Bronx

In the Bronx:

Following a year of community engagement, we released the **Hunts Point Forward vision**, a comprehensive plan to create economic opportunity and improve quality of life in the neighborhood. The plan is backed by an initial \$40 million commitment from the mayor, and outlines a 15-year vision shared by the City and community.

In September, the mayor announced that the City received a \$110 million federal grant to upgrade and improve the **Hunts Point Produce Market**, where 25 percent of NYC's food comes through daily. This is on top of the additional \$100 million investment the Mayor announced at the launch of the economic recovery blueprint in March 2022. We want to thank the Council for their partnership in pursuing this funding and turning the produce center into a modern, resilient distribution hub.

We especially want thank Council Member Rafael Salamanca for his leadership to bring the community's vision to fruition, and we look forward to continuing our partnership.

In Kingsbridge, we announced "**Together for Kingsbridge**" ("Juntos para Kingsbridge"), a community-driven engagement process to envision the future redevelopment of the Kingsbridge Armory, ensuring it's an economic driver for the community and the Bronx. We plan to release our community vision document this spring and an RFP later this year. We thank Council Member Pierina Sanchez for her leadership on this project.

In Locust Point, we celebrated the "water breaking" of dredging at **Hammond Cove** to restore its depths for safe navigation and operations and revitalize a popular boating destination. We thank Council Member Marjorie Velazquez for her partnership.

Finally, to the Lower Concourse, where the **Bronx Point** development will bring hundreds of affordable homes, serve as the home of the Universal Hip Hop Museum, and open up public space on the waterfront.

Closing

As I hope is evident from all I've shared, EDC's work for the people of New York spans districts, boroughs, and industries. I'm proud to be part of this work in partnership with all of you. Thank you for the opportunity to speak with you today. Now, we welcome any questions you have.

Exhibit A

New York City Economic Snapshot, February 2023

New York City Economic Snapshot

February 2023



Dear NYC Partner,

As the entity charged with driving the city's economic growth, we are pleased to release our latest monthly Economic Snapshot. This report assembles and highlights data from key sources that we track most closely in measuring the strength of NYC's economy.

Before we dive into the past month's highlights, I have to take a moment and address the recent closure of Silicon Valley Bank and Signature Bank. While the closure of these banks shows that NYC's economy is still susceptible to such shocks, it was heartening seeing the quick response from the federal government to ensure that small businesses were not impacted and able to secure 100% of their funds in a timely manner. I remain confident in the banking system—the decisive actions led by the federal government work to ensure that our banking system protects deposits and promotes strong and sustainable growth.

A few highlights from this month's report include:

- The labor market continues to recover, as the private sector has added jobs for 12 consecutive months and the labor force participation rate has hit a record high. Private sector employment is now at 99.4% of pre-COVID levels. However, growth has slowed in recent months, and recent job losses in the Information sector show evidence of the potential headwinds facing parts of the economy.
- Return-to-office metrics remained stable in February, as office occupancy has doubled over the past year.
- While tourism indicators have declined slightly, the tourism sector remains firmly on the path to recovery.
- While the transit ridership recovery has slowed, both subway and bus ridership have seen strong improvement in the past year, with subway ridership near 70% of pre-COVID levels.

Despite some slowdown in labor market improvements, the city continues to add jobs and our residents continue to start businesses—hallmarks of a continuing recovery. Having a clear picture of the city's economic data informs our work here at NYCEDC, as we build a more vibrant and inclusive economy. We hope you find it useful in your work as well.

A handwritten signature in black ink, appearing to be "AK", written in a cursive, stylized manner.

Andrew Kimball
President & CEO,
New York City Economic Development Corporation

Indicator	Latest	Previous	Since Jan. 1 '22 (Adams Admin)	Pre-COVID
Key Takeaways: Labor Market NYC added jobs for the 12th consecutive month and is now 24,100 jobs shy of pre-pandemic employment levels. Job growth improved slightly in the NYC metro area, most other large cities, and nationwide in the past month, although growth is still slower than in the first half of 2022. The city's labor force continues to grow—the labor force participation rate rose to a record high of 61.5%, while the unemployment rate rose slightly to 5.3%. Healthcare and social assistance continues to be a key driver of job growth, and the sector has added 83,200 jobs in the past year. The Information sector lost 5,100 jobs in January, but sector employment remains above pre-COVID levels.				
City Private Sector Employment Change & Annual Growth Rate (Jan 2023)	+4,500 +6.2% y/y	+26,300 +6.1% y/y	+237,600	+6,500 per month +2.4% y/y (2019 avg)
Metro Area Employment (Jan 2023)	+44,100 +4.0% y/y	+42,300 +3.5% y/y	+413,900	+7,800 per month, +1.3% y/y (2019 avg)
Job Postings (Jan 2023)	69,100	59,400	1,055,000	76,600 (2019 avg)
Labor Force Participation (Jan 2023)	61.5%	61.2%	+1.1 pct pts	60.2% (Feb 2020)
Unemployment Rate (Jan 2023)	5.3%	5.1%	-2.7 pct pts	4.3% (Feb 2020)
White Unemployment Rate (2022:Q4)	2.8%*	3.4%	-2.5 pct pts	1.9% (2020:Q1)
BIPOC Unemployment Rate (2022:Q4)	7.3%*	7.4%	-1.4 pct pts	4.6% (2020:Q1)
Black Unemployment Rate (2022:Q4)	11.1% *	11.0%	-0.5 pct pts	5.3% (2020:Q1)
Key Takeaways: Business Activity New business creation reached a five-year high during 2022:Q2, as over 32,100 (or 1 in 9) businesses in NYC started in the past year (including 6,700 businesses in Q2). VC funding weakened in Q4, and at \$3.6 billion, was down 75% from 2022:Q1. However, VC funding still managed to post its second-best year ever in 2022, with \$28 billion of VC activity this past year, which is 20% higher than the city's funding total in 2019.				
New business formation (2022:Q2)	6,700	6,900	13,600	7,100 (2019 avg)
Net business formation (2022:Q2)	+2,250	+100	+2,350	+400 (2019 avg)
VC Funding (2022:Q4)	\$3.599B	\$6.121B (2022:Q3)	\$27.976B	\$5.599B (2019:Q4)
VC Funding (2022 through Q4)	\$27.976B	\$48.845B (2021 through Q4)	n/a	\$23.248B (2019 through Q4)

Indicator	Latest	Previous	Since Jan. 1 '22 (Adams Admin)	Pre-COVID
-----------	--------	----------	-----------------------------------	-----------

Key Takeaways: Real Estate

Office occupancy metrics were relatively stable in February and are much improved from a year ago, signaling more New Yorkers are returning to office. Vacancy rates ticked up in Q4 and are elevated compared to pre-COVID, but they are not at crisis levels. Manhattan office vacancy rates are elevated compared to Citywide vacancy rates, and they increased in Q4 to 18.3%.

Kastle Office Occupancy (4-wk avg, 11/16)	47.0%	47.6%	+23.2 pct pts	100%
PFNYC Return to Office Survey (Sep 2022)	52%	49% (Sept. 2022)	+24 pct pts (Oct 2021)	n/a
Manhattan Office Vacancy Average** (2022:Q4)	18.3%	17.8%	+0.5 pct pts	10.3% (2019 avg)
Office Vacancy Rate (2022:Q4)	13.0%	12.8%	+0.9 pct pts	7.6% (2019 avg)
Retail Vacancy Rate (2022:Q4)	4.1%	4.1%	+0.3 pct pts	3.4% (2019 avg)

Key Takeaways: Tourism & Transit

Tourism indicators have declined slightly from recent post-COVID highs but are still firmly on the path to recovery. Recovery in subway ridership is slowing near 70%, while bus ridership fell slightly to 65.7%.




Broadway Attendance (4 wk avg, 2/26/23)	80.6%	87.9%	+10.1 pct pts	100%
Hotel Occupancy Rate (Nov 2022)	79.6%	84.5%	+7.4 pct pts	n/a
Times Sq. Ped Count (30-day avg, 1/8/23)	83.0%	85.4%	+10.5 pct pts	100%
Subway Ridership (30-day avg, 3/9/23)	69.7%	70.2%	+13.1 pct pts	100%
Bus Ridership (30-day avg, 3/9/23)	65.7%	67.7%	+2.2 pct pts	100%

Sources for the New York City Economic Snapshot include the NYS Department of Labor, the US Bureau of Labor Statistics, Lightcast, Pitchbook, Kastle Systems, the Partnership for New York City, Costar, Cushman & Wakefield, Newmark, Savills, Colliers, JLL, Broadway League, STR, Times Square Alliance, and MTA Open Data.

* Quarter-to-quarter changes within 1 percentage point are likely statistically insignificant due to the small sample size.

** this is a simple average of vacancy rates from Cushman & Wakefield and JLL, and availability rates from Newmark, Savills, Costar, and Colliers. The Citywide rates are using Costar data.

Legend

-  Indicator improved from prior reading
-  Indicator worsened from prior reading
-  No change

NYC Employment by Industry

INDUSTRY

EMPLOYMENT (in thousands)

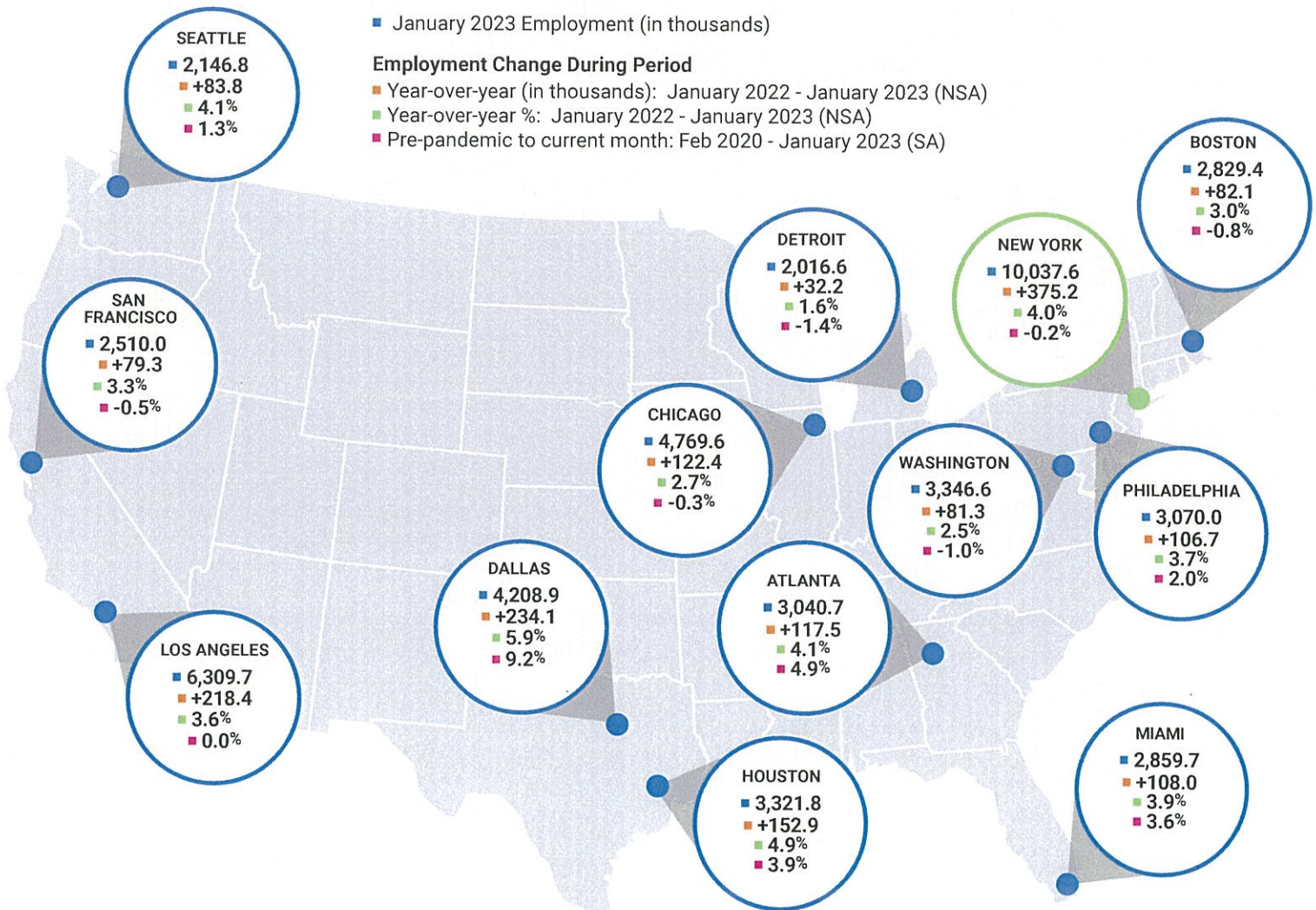
	January 2023	December 2022	Previous Month Change	Year-Over-Year Change	Jobs Lost, Pre-Pandemic to Trough	Jobs Regained, Trough to January 2023	Percent of Lost Jobs Regained	Job Change, Pre-Pandemic to January 2023
FIRE	497	498	-0.2%	4.3%	25,600	35,700	139.4%	10,100
Finance & Insurance	363	364	-0.1%	4.6%	10,800	25,700	238.1%	14,900
Securities	195	196	-0.3%	5.5%	5,600	18,000	319.1%	12,400
Banking	107	107	0.2%	3.9%	3,700	5,200	140.6%	1,500
Other	62	62	-0.2%	3.4%	1,400	2,500	173.1%	1,000
Real Estate	134	134	-0.2%	3.5%	16,200	11,400	70.3%	-4,800
SERVICES	2,794	2,792	0.1%	7.7%	641,700	679,000	105.8%	37,200
Information	234	239	-2.1%	1.6%	35,400	40,400	113.9%	4,900
Professional & Business	793	794	-0.2%	4.7%	101,500	113,100	111.4%	11,500
Professional, Scientific & Technical	461	463	-0.5%	4.8%	37,500	52,800	140.6%	15,200
Management of Companies & Enterprises	71	72	0.0%	6.3%	11,100	10,200	91.2%	-1,000
Administrative & Support	260	259	0.4%	4.0%	57,500	54,800	95.3%	-2,700
Educational	252	253	-0.2%	1.6%	27,700	23,400	84.4%	-4,300
Healthcare & Social Assistance	896	890	0.7%	10.2%	116,000	188,300	162.3%	72,200
Arts & Entertainment	80	81	-1.5%	4.7%	55,700	40,100	72.0%	-15,600
Accommodation & Food	355	351	1.0%	20.9%	268,600	249,000	92.7%	-19,600
Other	184	184	0.1%	5.9%	66,900	55,000	82.2%	-11,900
TRADE	438	434	0.8%	1.8%	147,300	99,200	67.4%	-48,100
Retail	305	302	0.9%	1.3%	115,800	74,700	64.5%	-41,100
Wholesale	133	132	0.5%	3.2%	31,600	24,500	77.8%	-7,000
MANUFACTURING	58	58	-1.2%	1.6%	28,100	19,800	70.3%	-8,400
TRANSPORTATION AND UTILITIES	150	150	0.1%	2.7%	39,700	39,800	100.2%	100
NATURAL RESOURCES, MINING AND CONSTRUCTION	148	147	0.6%	3.1%	74,900	59,800	79.9%	-15,100
TOTAL PRIVATE	4,084	4,080	0.1%	6.2%	946,300	922,300	97.5%	-24,100
GOVERNMENT	583	572	2.0%	0.8%	22,000	11,000	49.7%	-11,100
TOTAL (PRIVATE + GOVERNMENT) NYC	4,667	4,651	0.3%	5.5%	956,500	921,300	96.3%	-35,200

Note: Numbers may not add to totals due to rounding. Employment trough is April 2020 except for the following sectors, for which the trough is July 2020: FIRE (inclusive of all sub-sectors), Information, and Government

NYC Metro Area Employment

Compared to Other Major Metro Areas

To give local employment data a national perspective, we compare employment in the NYC Metro Area to other major metro areas around the US. We use metro areas rather than cities to provide a more consistent basis for regional economic comparison.



NSA - non seasonally adjusted

SA - seasonally adjusted

Source: US Bureau of Labor Statistics

About NYCEDC

New York City Economic Development Corporation is a mission-driven, nonprofit organization that creates shared prosperity across New York City by strengthening neighborhoods and creating good jobs. We work with and for communities to bring emerging industries to New York City; develop spaces and facilities for businesses; empower New Yorkers through training and skill-building; and invest in sustainable and innovative projects that make the city a great place to live and work.

For more economic data, insights, and analysis from NYCEDC's Economic Research & Policy group, and to receive economic reports via email, visit edc.nyc/insights.

Contact us: press@edc.nyc | Follow us: [@nycedc](https://twitter.com/nycedc)



Testimony Before the New York City Council Committee on Economic Development Regarding Priorities for the New York City Fiscal Year 2023-2024 Budget

March 23, 2023

Thank you to Committee Chair Amanda Farias and members of the Committee on Economic Development for the opportunity to testify on the housing-related proposals in the Mayor's Fiscal Year 2023-2024 Budget.

About the Association for Neighborhood and Housing Development (ANHD)

ANHD is one of the City's lead policy, advocacy, technical assistance, and capacity-building organizations. We maintain a membership of 80+ neighborhood-based and city-wide nonprofit organizations that have affordable housing and/or equitable economic development as a central component of their mission. We are an essential citywide voice, bridging the power and impact of our member groups to build community power and ensure the right to affordable housing and thriving, equitable neighborhoods for all New Yorkers. We value justice, equity and opportunity, and we believe in the importance of movement building that centers marginalized communities in our work. We believe housing justice is economic justice is racial justice.

ANHD's work directly supports the needs of our members who develop, manage, and organize to preserve affordable housing, and who fight to bring equity into low-wealth communities in New York City—especially communities of color. Our groups rely on us for technical assistance and capacity-building resources that allow them to maximize their resources, skills and impact. The support services, research, analysis, public education and coalition building we do helps to identify patterns of local neighborhood experiences and uplift citywide priorities and needs. Our work translates into the capacity to win new programs, policies and systems that ensure the creation and preservation of deeply and permanently affordable housing, and economic justice.

Land Use Capacity-Building Initiative

We know that in many communities, people feel disempowered and left out when zoning changes are occurring in their neighborhoods. Local residents can and should be able to participate more effectively in these crucial processes so that future development and investment better reflect both the local priorities and visions of neighborhood residents, and the citywide needs of all New Yorkers.

Therefore, ANHD seeks \$130,500 to activate a Land Use Capacity-Building Initiative under Speaker Adrienne Adams' leadership. This initiative will provide resources - including in person and virtual trainings, and print and online popular education materials- designed to help community members understand and engage productively in local land use and planning processes.

Materials and training curricula will be designed with input and feedback from the Speaker and Council Members and will generally cover the following topics:

- Zoning 101
- ULURP 101
- Affordable Housing & AMIs
- Displacement risks and resources
- Accessing and using data to understand community and citywide needs
- Environmental review
- How to participate effectively in a rezoning process
- Models and approaches for proactive community planning

ANHD has a long and robust history of providing training and technical assistance in communities responding to rezoning proposals and developing their own community plans. Over the past eight years we provided in depth rezoning technical assistance to community organizations and elected officials in over a dozen neighborhoods. We have created written resources to help average community members better understand technical information such as AMI levels, the Mandatory Inclusionary Housing Program, and the ULURP process, and designed and led workshops such as our digital series to teach people how to access and interpret the information now available in the City's Equitable Development Data Explorer.

Moreover, in 2022, ANHD led a training on housing and land use for Council Members and their staff, and in 2023 we worked with the NYC Civic Engagement Commission to develop and lead land use trainings for Community Board members across the five boroughs. We hope to bring our accumulated experience and expertise to expand capacity at the local council district level.

Expected outputs include:

- Written handouts, brochures, and 1-pagers for distribution in communities
- Workshops on various topics relevant to land use in NYC, to be conducted locally in any interested council members' districts
 - General community workshops on land use process
 - Train the trainer sessions to support local CBOs and community leaders' ongoing work in their own communities

All materials and workshops will be multilingual based on individual communities' needs

Expected outcomes include:

- Community members in participating districts will gain a better understanding of NYC's land use process

- CBOs and community members will be better equipped to work with their elected officials to respond to proposed zoning changes
- CBOs and community members will be prepared to work with their elected officials to proactively plan to address community and citywide development and investment needs

In addition to the specific outcomes listed above, this initiative will help local rezonings, as well as upcoming citywide text amendments, move more smoothly and transparently, and ultimately better reflect New Yorkers' needs because community members will be more informed and engaged in the process.

Long-term, more informed and strategically engaged community members will lead to more equitable and affordable development in our communities, especially historically marginalized communities, which have historically lacked access to the technical knowledge, resources, and levers of power to participate fully in our land use process.

Support Small Businesses and City Merchant Associations

ANHD requests \$350,000 to continue leading a first-of-its-kind Merchant Organizing program that unites and resources merchant associations in historically marginalized communities' commercial corridors. ANHD is grateful the the New York City Department of Small Business services funding to support such an innovative program that pairs non-profit community partners with merchants to help develop relationships, foster partnerships, and build local capacity to guide ongoing commercial revitalization efforts in our low-income, majority BIPOC neighborhoods. ANHD is committed to helping this program continue and expand, and hopes the City is too.

ANHD is testifying on the importance of strengthening and expanding thriving commercial corridors in Jackson Heights, Far Rockaway, Little Yemen, and other historically marginalized communities here today; and, we are in conversation with funders from the private and corporate sectors who are interested in supporting this innovative and impactful model.

Since the COVID-19 pandemic began, small businesses have faced increasing displacement threats as they lost revenue, accumulated back rent, and faced rising rents. ANHD's latest small business report, [State of the Storefronts](#), revealed that small businesses in predominantly BIPOC and immigrant neighborhoods are more likely to face rent hikes, harassment, and displacement and are being disproportionately impacted by rising storefront rents. Council Districts where storefront rents increased from 2019 to 2020 are home to 71.2% people of color, versus 42.0% people of color in Districts where rents decreased. Merchant organizing can help confront the lack of affordable commercial space by unifying merchant voices and providing more avenues for education and advocacy.

NYC SBS's Citywide Merchant Organizing Project, activated first as part of the Neighborhood 360 Citywide COVID-19 Commercial District Recovery Grant program in 2021 has enabled ANHD and 37 CBO partners to work across neighborhoods and coordinate merchant organizing

efforts along commercial corridors in low- to moderate-income neighborhoods, also home to communities of color and immigrants who depend on their local businesses to provide culturally relevant, affordable goods and services. The program has grown to offer more intensive support, including \$20-\$30,000 subgrants to community partners in this most current round, and we are seeing real impact. NYC SBS's Citywide Merchant Organizing Project has allowed local nonprofit organizations to establish new and fortify existing merchants associations through targeted outreach and engagement, critical service provision, and merchant leadership development.

The impact of merchant organizing against displacement risks can only be felt with additional dedicated resources to triage and address the urgent matters that arise day-to-day for small business owners, such as mediating landlord disputes, applying for grants and loans, and building up an online presence. ANHD provides technical assistance to our Citywide Merchant Organizing Project neighborhood partner organizations such that they can conduct successful outreach and engagement, and we provide technical assistance directly to merchants such that they can meaningfully engage with organizing efforts and leadership development opportunities. With strong merchant leaders, deep relationships among merchants, and the dedicated capacity of local community-based organizations, New York City's commercial corridors can continue to thrive and serve as economic and cultural centers of BIPOC and immigrant neighborhoods.

Support NYC's Industrial Business Service Providers

We also request of the committee to increase support for two programs that are critical to New York's industrial economy: the Industrial Business Service Provider (IBSP) program and the Industrial Promotion Fund.

Industrial policy has a major impact on our communities and on the economic development of our boroughs. Protecting and promoting the industrial sector is crucial to building a more equitable economic development strategy in our city, while ensuring local capacity to address infrastructure and climate adaptation needs now and into the future. The industrial sector provides over 450,000 jobs in New York City, making up nearly 15% of our city's workforce, while contributing over \$1.7 billion annually in tax revenue. Importantly, the industrial sector provides access to good-paying jobs for often-marginalized communities. Over 80% of those employed in the industrial sector are people of color.

As a convener of the Industrial Jobs Coalition, a city-wide coalition of non-profit developers of industrial space, advocates of industrial policy, and IBSPs, ANHD and our member organizations have long advocated for increased support to the IBSP's and the Industrial Promotion Fund. Both provide critical support to our members and the industrial businesses they support by providing them the resources, tools, and capacity to recruit, sustain, and expand industrial businesses. This year, we request that the Council increase baseline funding for the IBSP program by 25%, and make that funding multi-year to provide stability to the non-profit organizations that support the industrial sector at the local community level, and businesses that

rely on their services. We also request a 15% increase in baseline funding for the Industrial Promotion Fund.

With these increases, our members will have the resources they need to be able to both service industrial businesses but also recruit more of these businesses which will benefit each and every New Yorker given the well-documented multiplier effect industry provides. Additionally, more resources for these programs will help the City achieve many of its equity and just transition goals – from the siting of green energy in our industrial zones, to providing assistance to the industrial sector to retrofit, and to supporting justice-involved individuals seeking industrial space for their cannabis manufacturing or processing businesses. A strong and vibrant industrial economy supports a strong and vibrant New York City.

March 23, 2023

Hon. Amanda Farias
Chair, Economic Development
NYC Council

Dear Chair Farias,

On behalf of the Five Borough Chamber Alliance consisting of the Presidents of the Bronx, Brooklyn, Manhattan, Staten Island and Queens Chambers of Commerce, we respectfully ask for your support of our initiative request in the amount of \$2MM to support our ongoing business recovery work throughout the City.

The attached impact report details the work we have undertaken over the last two years. At a recently held breakfast event in Brooklyn, Speaker Adams highlighted our initiative in her remarks as a model for small business support.

If you have any questions, please contact me at rpeers@brooklynchamber.com or any of the other Chamber of Commerce presidents.

Sincerely,

Randy Peers
Brooklyn Chamber of Commerce

Linda Baran
Staten Island Chamber of Commerce

Lisa Sorin
Bronx Chamber of Commerce

Tom Grech
Queens Chamber of Commerce

Jessica Walker
Manhattan Chamber of Commerce



The NYC Small Business Resource Network is a comprehensive approach to small business resiliency that offers free, personalized guidance and support to help businesses grow and thrive.

Originally launched as a pandemic recovery effort, the SBRN continues to support small businesses today via a collaborative partnership between the five borough chambers of commerce. Our unique service-delivery model places Business Support Specialists on the ground in neighborhoods across the city, helping businesses connect to free resources offered by both the public and private sectors.

How Our Program Works

Our Specialists meet with small business across the five boroughs. Our team includes general Business Support Specialists, as well as Restaurant and Technology Specialists.



Complete our
Intake form



Meet with a Business
Support Specialist



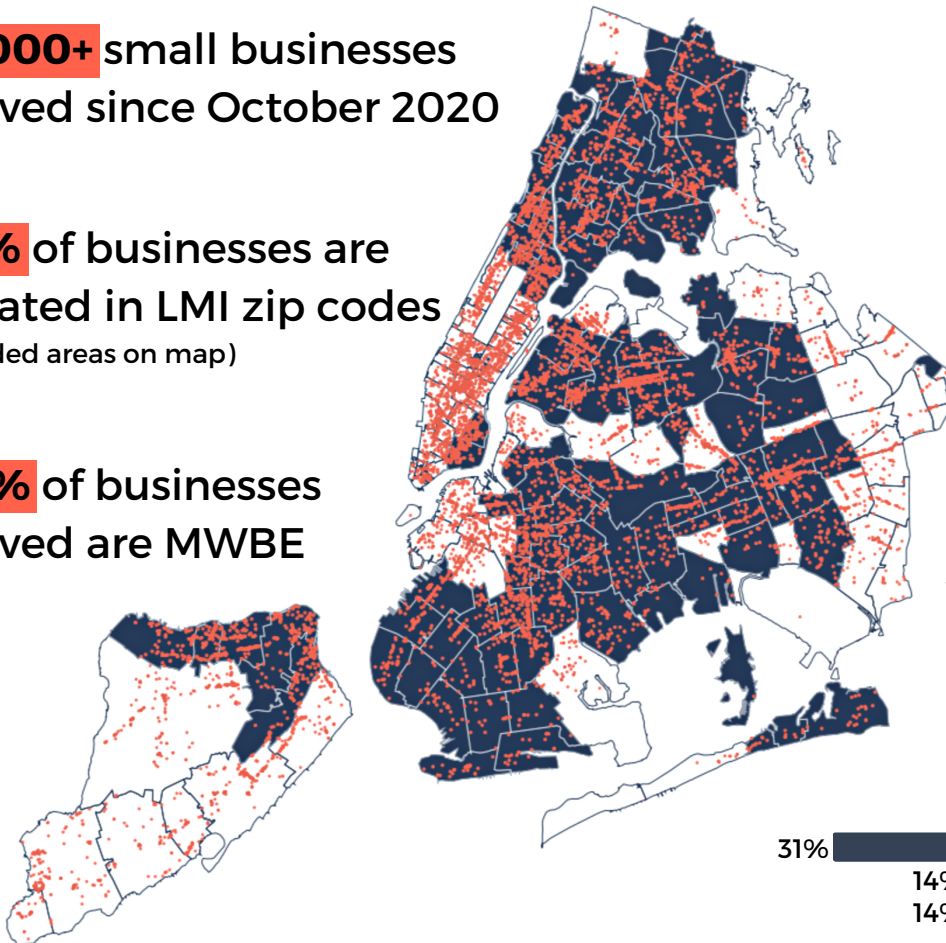
Get Connected
to Free Resources

NYC SBRN Impact Summary

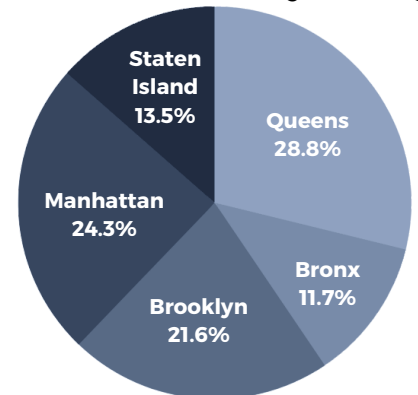
11,000+ small businesses
served since October 2020

61% of businesses are
located in LMI zip codes
(shaded areas on map)

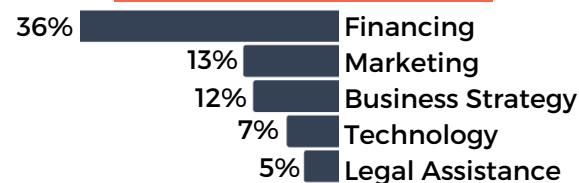
77% of businesses
served are MWBE



Businesses Served by Borough



Top 5 Business Needs



Top 5 Industries Served



Access to Grants and Loans • Connections to Legal Counsel
 Business Strategy and Coaching • Marketing Guidance • MWBE Certification
 Navigating City Agencies • Website Building & Maintenance • E-Commerce Strategies
 Social Media Content Planning • Hardware/Software Troubleshooting
 Restaurant Consulting • Liquor License Advising • ...and more!

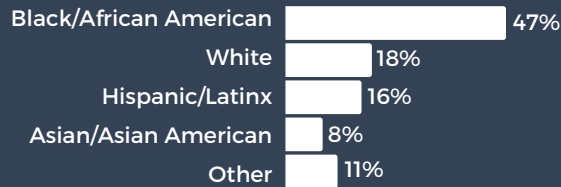
NYC SBRN Areas of Assistance

NYC SMALL BIZ OPEN + ONLINE

This inclusive, in-house program was created to help small businesses strengthen their online presence in an increasingly digital marketplace. We've helped **almost 800 businesses (and counting)** grow by providing new websites, rebranding, and SEO consulting.

Professional Websites Built	525
Expert SEO Consultations Provided	146
Logo & Branding Packages Designed	127
Total Digital Projects Completed	798

Participating Businesses Self-Identified As:



How SBRN Has Helped

Harlem's Heaven Hats, Manhattan

My store has been in Harlem for more than 30 years. I was struggling with my outdated website and didn't know what to do next until you came by. I just received my brand-new website and cannot wait to speak with the (business strategy) consultant about the next chapter for my business! Honey, you guys are stars! - Evetta Petty, Owner



MadeFresh Organic, Queens

Juliana Rivera is the founder and creative mind behind MadeFresh Organic, a successful organic juice company. Our work with Juliana and her participation in the Citi Field Business Expo led to the acquisition of new corporate contracts with major institutions. She increased sales and product visibility, and diversified revenue as a result of working with our SBRN Restaurant Specialist.



Bronx Fashion Week, Bronx

"I honestly was considering shutting my business down, and it came (to) a point that I didn't even think I'd get into the program. When COVID happened, it made me want to give it up on everything, and this (website) program brought life into my business." - Flora Montes, Owner

Yummy Tummy's, Brooklyn

Yummy Tummy's began as a ghost location for baked goods, but owner Melissa wanted to make the transition to retail. We provided business strategy consulting and tech assistance, and connected her to Start Small, Think Big, who provided a crash course on bookkeeping. Our Restaurant Specialist helped her secure a \$1000 grant to assist with technology and packaging.



Floral Sentiments Couture, Staten Island

The resources made available to me and the personal assistance was unbelievable. I was so financially stressed, because we did not receive any funding and our business was devastated by the pandemic. It seemed insurmountable. It sounded too good to be true that I'd get that kind of personal assistance and help. But it was true." - Camille Zarrelli, Owner

NYC SMALL BUSINESS
RESOURCE NETWORK

230,000+ SMALL BUSINESSES
5 BOROUGHES

1 RESOURCE
NETWORK

Interested in learning more?

Reach out to your local Chamber of Commerce

Visit our website at smallbiz.nyc

Follow us on Instagram @nycsmbiznetwork

Our public-private partnership was launched with a generous, multi-year grant from the New York City-based Peter G. Peterson Foundation. Additional funding was provided by the New York City Economic Development Corporation and in-kind contributions from other partners.



Center for Family Life in Sunset Park

TESTIMONY

Preliminary Budget Hearing for Fiscal Year 2024:
“New York City’s Worker Cooperative Business Development Initiative:
Worker Cooperatives to Fight Economic Inequality in NYC”

Presented to

New York City Council, Committee on Economic Development
Hon. Amanda Farías, Chair
Thursday, March 23, 2023

Prepared By:

Juan Cuautle,
Program Director, Cooperative Development Program
Center for Family Life in Sunset Park

New York City’s Worker Cooperative Business Development Initiative

Center for Family Life

443 39th St., Brooklyn, NY 11232

Phone: 718-633-4823

Good afternoon, Amanda Fariás, and the distinguished members of the New York City Council Committee on Economic Development. My name is Juan Cuautle, Director of the Cooperative Development Program at the Center for Family Life in Sunset Park (CFL), a 44-year-old social service organization with the mission to provide resources to low-income families of Brooklyn, so that they can thrive.

I am asking that the New York City Council fund the Worker Cooperative Business Development Initiative (WCBDI) at \$4.9 million for fiscal year 2024.

Since 2014, CFL has been part of WCBDI supported by the Council through which organizations like ours incubate and grow worker-owned businesses. Thanks to this annual support, CFL has incubated 25 cooperative businesses in the domestic work industry, organizing 500 immigrant women of color around a personal transformative experience, where they take control of their economic and professional development.

Through our Cooperative Development Program, every year more than 400 of the most vulnerable workers of our beloved city receive training and coaching on business management and community leadership, with the objective of developing their skills to manage their own businesses. We believe that every person, regardless of her socio-economic condition, with the correct resources can become an entrepreneur. With this council's support, CFL can also provide technical assistance to 8 worker-owned operating cooperatives to guarantee the operation of the businesses while they grow and stabilize.

Thanks to the continuous support of the council, CFL has been able to innovate in scaling initiatives to make the cooperative business model more accessible to other low-income communities across New York City. In the last 7 years, we developed the first social cleaning franchise Brightly, with the idea to support small community based organizations to bring the cooperative model to their constituents. The Brightly franchise puts workers in the center of the business model, giving them voice and vote in the decision-making process of the organization. Right now, there are 5 individual Brightly cooperatives members of the franchise offering their cleaning services across the 5 boroughs of the City.

CFL has also improved the competitiveness of the cleaning cooperatives in the market, by developing the online marketplace Up & Go. A website where clients can book and pay for residential and commercial cleaning services from worker-owned cooperatives. Since 2019, Up & Go has sold \$2 million dollars in cleaning services, income that provides economic support to 200 people in our communities. We are also proud to say that the average income for members of the cooperative is \$33 per hour, while outside the cooperative, domestic workers are making an average of \$16 per hour. It is also worth mentioning that in Up&Go we have eliminated wage theft, thanks to the infrastructure developed around cooperatives.

All these accomplishments wouldn't be possible without the support of the City Council. We **urge continued investment in worker-owned cooperative businesses for fiscal year 2024 to fight economic inequality in New York City through the Worker Cooperative Business Development Initiative. Thank you so much for your support.**



Committee on Economic Development
Preliminary Budget Hearing - Fiscal Year 2024
March 23, 2023

Testimony of
The Lesbian, Gay, Bisexual & Transgender Community Center
New York, NY

**THE LESBIAN, GAY, BISEXUAL &
TRANSGENDER COMMUNITY CENTER**
208 W 13 ST NEW YORK, NY 10011

T. 212.620.7310
F. 212.924.2657
gaycenter.org

THE CENTER

Thank you for the opportunity to provide testimony regarding the proposed Fiscal Year 2024 budget as it relates to issues within the oversight of the Committee on Economic Development.

New York City's LGBT community formed The Lesbian, Gay, Bisexual and Transgender Community Center (The Center) in 1983, in response to the AIDS epidemic, ensuring a place for LGBTQ people to access information, care and support they were not receiving elsewhere. Now the largest LGBT multi service organization on the East Coast, The Center sees more than 6,000 weekly visitors and hosts over 400 community group meetings each month. The Center has a solid track record of working for and with the community to increase access to a diverse range of high-quality services and resources, including our substance use recovery programming for adults and youth; HIV/AIDS programming; youth programs; and our families and opportunities work.

The Center's services

The Center fosters a welcoming environment where everyone is celebrated for who they are. We offer the LGBTQ communities of NYC advocacy, health and wellness programs; arts, entertainment, and cultural events; recovery, parenthood, and family support services. In addition, The Center has made racial equity a keystone element of our approach to community building.

- **Counseling and support groups:** The Center provides short-term individual counseling and referral services, as well as hosts a range of support groups for our transgender and gender nonconforming communities. Both individual counseling and groups offer support around a variety of topics, including gender identity and expression, emotional challenges, substance use and recovery, and aim to build peer support networks.
- **Employment support:** Despite legal protections in New York State, the effects of discrimination continue to place trans and gender nonconforming communities at extremely high rates of poverty, unemployment, underemployment and homelessness. The Center provides services to directly combat this inequality, including individual career coaching support, case management, events focused on career exploration, legal workshops and networking opportunities.
- **Health insurance enrollment and linkage to care:** The Center is a designated navigator agency for the NY State of Health, the health insurance marketplace for New York through the Affordable Care Act. We provide information and education on the options available, and help individuals, families, small businesses and their employees enroll in New York State Medicaid, The NY Essential Plan, Child Health Plus and Qualified Health plans. We also help connect individuals to TGNCNB affirming medical and behavioral healthcare as needed.

**THE LESBIAN, GAY, BISEXUAL &
TRANSGENDER COMMUNITY CENTER**
208 W 13 ST NEW YORK, NY 10011

T. 212.620.7310
F. 212.924.2657
gaycenter.org

THE CENTER

- **HIV prevention, testing, and linkage to care:** We offer counseling for individuals, groups, couples and families, plus a variety of events, speakers and informal social gatherings for positive people and their loved ones. This includes HIV & AIDS education, anonymous testing, counseling and support, partner notification, and linkage to medical treatment including PEP, PrEP, and antiretroviral medications.
- **Legal services:** The Center partners with community-based legal providers to provide TGNCNB community members with drop-in assistance around gender-affirming access to healthcare, insurance, employment issues, housing, name and gender marker changes, public benefits and more.

On Economic Development

From the work we do every day, we know that poverty disproportionately impacts the LGBT community. For example: 14% of lesbian couples receive food stamps (compared to 6% of heterosexual couples); transgender and gender-expansive people are up to four times more likely to live in poverty; one-third of transgender people of color earn less than \$10,000 a year.

In response, The Center designed and implemented LGBTWorks, an economic opportunities initiative that directly addresses economic disparities through personal and professional development programming. The program includes:

- Workforce readiness activities, such as resume review, mock interviews, job training resources, and career coaching
- Academic enrichment programs, including GED and HSE courses
- Seminars devoted to a broad range of topics designed for and led by community members, such as how to start your own business, personal finance, and basic computer literacy
- A peer navigation component, ensuring community members have the tools necessary for their success
- Offerings that respond directly to input from youth, women, and transgender individuals, as well as evidence-based research, to enhance program effectiveness

For over three decades, The Center has worked to ensure that the LGBT community of New York City has access to the highest quality and most diverse range of services and resources. Though we are living in a time of unprecedented social, legal and political acceptance of the LGBTQ community, there is still much work to be done on a local and state level to ensure that our community members can successfully combat the social and economic injustice they face daily. Thank you to the Committee for the opportunity to provide this testimony today on an issue of great importance city-wide. We look forward to continue working with you to ensure New York City's future as a safe space for all New Yorkers.

**THE LESBIAN, GAY, BISEXUAL &
TRANSGENDER COMMUNITY CENTER**
208 W 13 ST NEW YORK, NY 10011

T. 212.620.7310
F. 212.924.2657
gaycenter.org



TESTIMONY

Fiscal Year 2024 Preliminary Budget Hearing:

**"New York City's Worker Cooperative Business Development Initiative:
Worker Cooperatives As An Innovative Workforce Development Strategy"**

Presented to:

New York City Council
Committee on Economic Development
Hon. Amanda Farías, Chair

Thursday, March 23, 2023

Prepared By:

Anh-Thu Nguyen
Director of Strategic Partnerships

**New York City Worker Cooperative Business Development Initiative
Democracy at Work Institute**

60 Broad Street
24th Floor #1550
New York, NY 10004

Good afternoon, Chair Farías and distinguished members of the New York City Council Committee on Economic Development. My name is Anh-Thu Nguyen, Director of Strategic Partnerships at Democracy at Work Institute, or DAWI. I am testifying as both a member of the Worker Cooperative Business Development Initiative (WCBDI) and as a part of the NYC Employment and Training Coalition.

Since 2014, WCBDI has:

- created more than 1000 jobs and pathways to business ownership.
- reached more than 9000 entrepreneurs with education and technical assistance services.
- created more than 175 new worker cooperative businesses that offer higher hourly wages, better working conditions and importantly, build wealth and equity for workers.

Between FY20-FY22, the height of the COVID-19 pandemic and accompanying economic crisis, WCBDI continued to deliver impact in communities most affected by COVID-19, with:

- 357 hires
- 5107 one-on-one services provided to 508 businesses and/or community based organizations
- 8984 educational services provided

We have seen best practices and inspiring transformation through integrating worker ownership with workforce development, creating better jobs, improved industry standards, and economic stability and mobility for working families. I will share two NYC success stories that have become national models for high-road businesses and workforce development.

The south Bronx has for 37 years been home to Cooperative Home Care Associates (CHCA), the largest worker cooperative in the country. CHCA has positively transformed home health care--a traditionally, low-wage, high-turnover industry, where the vast majority of workers are BIPOC immigrant women--by raising job quality and industry standards through worker ownership and continuous investment in an embedded on-the-job training and skills development program. This workforce development model operates on a seamless continuum from recruitment to training, certification, placement and employment and has produced incredible workforce development results. Of 630 jobseekers enrolled annually with CHCA's training program, 94% graduate with a portable credential and 85% are employed as home health aides. Of those, 68% remain employed after one year. All program graduates are guaranteed a job with CHCA, if they wish. In comparison, according to the national Benchmarking Project, similar low-income training programs on average secure employment for only 29% of enrollees, and of those just 38% remain employed after one year.

Another example: at DAWI, we partnered with the CUNY Institute of Mexican Studies to incubate and demonstrate another model for workforce development and social

entrepreneurship--Radiate Consulting. We work together to identify promising, entrepreneurial graduates with barriers to employment and want to develop their careers as non-profit service providers. We provide wraparound services to support and engage worker-owners as they navigate the working world and launch their business, connect with clients, and build their skills as emerging young professionals and worker-owners.

Worker cooperative businesses are unique in their ability to establish, grow, and retain community wealth, to make entrepreneurship accessible, and to create stable, dignified work for all New Yorkers.

We urge City Council to continue investing in worker cooperatives and the workforce development ecosystem in NYC, through enhancing WCBDI funding to \$4.9 million for FY24. This will provide for the start-up of 29 new worker cooperative small businesses, with positions for 103 new jobs in cooperatives, assist existing cooperatives through 2,830 service requests, and outreach to 1,769 cooperative entrepreneurs.

Thank you for the opportunity to speak about worker cooperatives as an innovative workforce development strategy. We look forward to continuing the work to develop worker leadership, high road business models that positively transform industries and strengthen communities, and support NYC's economic recovery and resilience.



Testimony Submitted by
Iyeshima Harris-Ouedraogo, Policy Manager, Equity Advocates
For the Committee on Economic Development Budget Hearing on the FY24 NYC Budget

March 23, 2023

My name is **Iyeshima Harris-Ouedraogo, Policy Manager, Equity Advocates**. Thank you to Council Member Alviles for holding today's budget hearing and the opportunity to submit this testimony.

Equity Advocates builds the capacity of nonprofit organizations to address the underlying causes of food inequity through policy and systems change. We partner with New York-based organizations working to alleviate hunger and poverty, providing them with the tools they need to be more civically engaged—including policy education, advocacy training and coalition leadership, such as convening the NY Food Policy Alliance since March 2020.

[NYC Food Policy Alliance](#) is a multi-sector group of 75+ food system stakeholders from across New York, including frontline CBOs directly impacted by food insecurity. The Alliance's mission is to identify and advocate for public policies and funding that not only respond to our current economic and hunger crises, but also address the ongoing vulnerabilities and injustices of the food system. Collectively, we approach this work through an anti-racism lens to ensure communities of color and other systemically under-resourced communities benefit from public policies and funding.

Our city has not fully recovered from the economic, social or public health impacts of the pandemic. Many families are still struggling to make ends meet and our partners are seeing an unprecedented demand for emergency food assistance. Since May of 2020, the unemployment rate in New York City has hovered around twice the national average at around 5.6%. The most recent United States Department of Labor data shows that inflation rose to a record 9.1% in June 2022, the largest gain in nearly four decades, reflecting increased food, shelter, and fuel costs nationwide. In that same time period, 64% of respondents had difficulty paying for usual household expenses¹. With a national economic recession looming, we are concerned that the poverty rates, inequality and need for food assistance we are already seeing across the city will worsen.

Access to healthy, culturally appropriate food is a continuous issue that New Yorkers face and yet the Mayor is proposing flat funding across the board for critical food assistance programs which will place an increased demand for food on pantries, farmers and supermarkets. We are very concerned with recent reporting that HRA is processing just [46.3% of applications for SNAP benefits](#) and we know agencies are already understaffed due to job vacancies. Funding cuts to HRA and other agencies across the board will only worsen this situation and urge the Administration to reconsider

¹ United States Census Bureau Household Pulse Data Survey results from September 2022.

its proposed cuts to HRA and to more seriously address the vacancy rate at the agency, which is greatly contributing to the slow processing of SNAP applications. We also urge the Administration to ensure any cuts in headcount vacancy for HRA do not impact benefits enrollment and ensure frontline positions are not eliminated.

In our policy recommendations below, we advocate for solutions that will assist with alleviating the burden that is placed on the food systems stakeholders. We support streamlining food assistance applications, investing in community based food businesses as well as urban agriculture and gardening programs, and increasing investment in healthy school food and nutrition education.

We stand in support of the nearly [80 organizations calling for a reduction](#) in the scope and budget of the NYPD. Instead we demand an equitable budget that restores and increases investments in human and social services, education, housing, community food programs. We respectfully request your support for the inclusion of the following recommendations in the FY24 New York City Budget:

Utilizing The Food System As The Catalyst To Build Wealth In Communities

- **\$4.9 Million for Worker Cooperative Business Development Initiative (WCBDI).** We support the [NYC Network of Worker Cooperative](#) in its call for increased funding from \$3.7M to \$4.9M in FY24. This local discretionary initiative funds 15 worker cooperative support organizations that coordinate education and training resources as well as provide technical, legal, and financial assistance for the start-up of new worker cooperative small businesses, and provide assistance to existing cooperatives. We urge that this increase in allocation help put worker cooperative support organizations that prioritize food businesses—such as RiseBoro Community Partnerships' [Worker Coop Development Program](#)—on the path to partnership within WCBDI. This focus on cooperative businesses within the food system will foster local food growers, aggregators, transporters, packagers, cooks, sellers and educators.
- **Create a new Food Justice Fund to allocate \$5 Million in Revolving Loans** that can support worker cooperatives, Employee Stock Ownership Plan (ESOP) and other employee-ownership models within the food system. There is a need to fund small and working size ESOPS in zip codes that reflect a high BIPOC demographic. Providing access to capital for employee ownership models in the food systems is a key strategy to build community ownership within the local food system, especially in BIPOC communities that have historically had low rates of business establishment by neighborhood residents. In addition, we recommend exploring ways to de-risk the loan, waive personal guaranties and other requirements that often prevent cooperatives from accessing conventional financing.

- **Partner with and support community food hub models** like Universe City and GrowNYC, and community-owned food retail such as Central Brooklyn Food Coop, to leverage existing and growing community-owned food, health, farming and retail infrastructures. We urge the City to fund these community-led groups to create food security plans and reduce barriers that prevent these types of projects from participating in city procurement contracts. In addition, we ask for the City to work with food hub CBOs to create a food security plan that can provide community wide food access and to establish pathways in the development of community food hubs..
- **Fully Fund the Citywide Community Land Trust Initiative at \$3 million.** We prioritize the notion that moving public land with insecure tenure to trust land will strengthen land security and sovereignty and prioritize access to lands for people who have deep and historic community connections, especially BIPOC farmers, growers and community gardens. Launched in FY2020, the citywide CLT discretionary funding initiative has helped catalyze CLT organizing, education, training and technical assistance. We support the [NYC Community Land Initiative \(NYCCLI\)](#) in its call for full funding to support 20 organizations working to develop and preserve deeply-affordable housing, community and commercial spaces, and advance a just recovery in Black and brown NYC communities. Public land must be used for public good, and be reserved for CLTs that provide for meaningful community control. It is also critical to raise awareness that CLTs can be utilized for commercial urban agriculture. We believe that this embodies the ability to balance local land control and long-term, stewarded development that addresses changing community needs. Supporting both Community-owned businesses and Community-controlled land together is part of an effort to democratize economic development in NYC's food system.
 - We also support the passage of the [Community Land Act](#), an urgently-needed set of bills that give community land trusts (CLTs) and other nonprofits tools to develop and preserve permanently-affordable housing, community and commercial space, and other neighborhood assets.

Urban Agriculture & Youth Development

- **Allocate funding for the new Office of Urban Agriculture** housed within the Office of Long-Term Planning and Sustainability (OLTPS) to maintain appropriate levels of staffing and increase transparency about Office goals and activities among the community of urban agriculture practitioners. Use funding to create a position dedicated to ongoing, intentional community engagement to inform the urban agriculture advisory's development of a set of recommendations as outlined in Local Law 123.

- As it is within the Office's duty and power to make recommendations to the "heads of relevant agencies with respect to protecting and expanding urban agriculture," we urge the Office to partner with the Department of Youth & Community Development (DYCD) to ensure that interested youth can meaningfully participate at urban agriculture sites through both Summer Youth Employment Program (SYEP) and Work Learn Grow (WLG). The Office of Urban Agriculture can play a leadership role in managing the placement of youth participants at community gardens with the collaboration of local CBOs, expanding participation of local compost operations as worksites, aligning the program timelines to allow for youth participants to be matched with an urban agriculture worksite year-round through both programs.
- **Increase funding to train the next generation of farmers and strengthen viable urban agriculture career pathways for youth** by expanding the DOE's Career and Technical Education program to strengthen its Agriculture, Food and Natural Resources and investing in local training programs with a commitment to social justice such Farm School NYC.
- **Establish a grant program** managed by the NYC Urban Agriculture Office targeted to residents in low income communities to invest in and provide technical assistance to urban agricultural startups and their acquisition of equipment, land and indoor growing space as well as staff.
- **Invest in GreenThumb at \$4.8 Million** to support the hiring of additional Community Engagement Coordinators, creating a permanent full-time Youth Engagement Coordinator position for the current seasonal position, and providing compensation for both youth and community gardeners that take leadership roles within GreenThumb Youth Leadership Council program, which is currently unpaid.
 - Direct the Parks Department to reduce administrative barriers to providing direct stipends from the City to community gardeners and youth to ensure Greenthumb can compensate community gardeners to teach workshops and train youth to run these programs, making existing gardening programming sustainable.
- **Increase opportunities for young people with \$206.5 million in baseline funding for Summer Youth Employment Program (SYEP) and \$20 million in baseline funding for Work Learn Grow (WLG),** the complementary school-year youth workforce program. Mayor Adams has expressed his commitment to investing in the future of urban agriculture, yet current DYCD regulations create a barrier for urban agriculture worksites that would provide meaningful experiences for young people. We urge the DYCD to commit to a reassessment of these programs to ensure successful partnerships with food systems and urban agriculture worksites by:
 - Increasing baseline funding for employer placements and supporting CBOs that are working with DYCD.
 - Advocating for the reallocation of funding for the program to be directed to out of school programs.
 - Ensuring youth interns are placed at their selected work site based on their interests.

- **Maintain \$7 million in funding for NYC Composting programs.** We applaud Mayor Adams for [announcing a roadmap](#) to create the first citywide curbside composting program ever by the end of 2024. These programs are vital to the community because they create local sustainable jobs, reduce landfill waste, gardeners and residents having access to resources in their communities, are eco-friendly and sustainable, and promote community involvement. We want to uplift the support for:
 - Incorporating the NYCHA and public housing in the compost programs initiative to encourage community engagement and divert food waste from landfills.
 - Developing more transparency for accessing foodscap bins so that community members can register for food scraps collect services.
 - Partnering with and increasing funding for local foodscrap hauling CBOs to collect foodscrap from households who are interested in the initiative. Residence should also be provided with the assurance that they can drop off their food waste at local drop off locations in their neighborhoods.
 - We urge the city to prioritize food waste reduction efforts to alleviate the waste management burden on city agencies and CBOs.

Emergency Food & Benefits Access

- **Increase funding to a total of \$59 Million for the Community Food Connection (CFC), formerly known as the Emergency Food Assistance Program (EFAP).** The Mayor's preliminary budget proposes baseline funding of \$23.8M plus an additional \$30 million for a total program budget of ~\$52 million. We urge that \$30 million that was allocated for FY23 and FY24 to be baselined as well as a moderate increase for a total of \$59 Million to accommodate the increased costs of adding fresh food into the program, rising cost of produce, and continued need, including the continuing influx of asylum seekers and other migrants seeking refuge in New York City.
- **Invest \$38.4 Million of new funding to combat hunger among older adults for home delivered meals programs and congregate meals at older adult centers.**
 - \$6.7M for inflation cost for raw foods, gas and other items for home-delivered meals
 - \$27.1M for inflation cost for raw food and other items for congregate meals at older adult centers
 - \$567k to address the DFTA's home-delivered meal waitlist
 - \$4M to support weekend and holiday home-delivered meals not provided through DFTA, especially as they have not seen an increase in years.
- **Direct the HRA to ensure that any cuts in headcount vacancy do not impact benefits enrollment and frontline positions are not eliminated,** increase wages to help fill critical vacancies and improve internal systems to be more efficient.
- **Increase HRA's budget baseline to ensure it can engage community based organizations (CBOs) in benefits outreach and streamline benefits applications.** We urge the City to increase funding for the agency and CBOs engaged in benefits outreach to meet ongoing demand and improve the administration of critical food benefit programs.

Additional administrative funding should support the SNAP program (run by NYC HRA) to have a joint application with the WIC program (run by NYS DOH). This would be a great first step in implementing Mayor Eric Adams' campaign pledge to create a MyCity applications portal for joint applications.

- **Evaluate the newly relaunched Grocery to Go Program.** This program emerged in the wake of the Covid-19 pandemic as food assistance for homebound New Yorkers and has since been redesigned to provide food insecure New Yorkers who also have hypertension and/or diabetes with monthly credit to purchase groceries through an online marketplace of local grocery stores. Most participants that were originally participating in the Get Food program will not meet the new requirements for the Groceries to Go Program due to their physical health status.
 - Given the short timeframe in which the allocated funds will need to be spent (by June 2023) and the highly specific eligibility requirements, we are concerned that the DOHMH may not be able to fully enroll 5,000 New Yorkers in time to spend down all of the available funds. To make the program more impactful and ensure unspent credits do not go to waste we strongly recommend: 1) the monthly credits allotted to each participating household are increased to ensure that funds are reaching the individuals that the program is intended to serve, 2) expand the list for diet related conditions to widen the scale of the program, and 3) allow for the participation of young adults who meet the other eligibility criteria.
 - Finally, we encourage the program to allow enrollees to have the freedom to use the credits on food items of their choosing that reflect need, cultural preference, dietary or medical requirements and personal taste. We strongly encourage the DOHMH not to apply additional limitations to eligible foods and to maintain that Grocery to Go credits can purchase SNAP approved items.

The NYC Food Policy Alliance stands in full support of the NYC Food Ed Coalition's call for quality food and nutrition education for all NYC Students, [including its FY24 City Budget priorities](#):

- **\$37 million to provide flexible food & nutrition education funding for all NYC schools.**
- **\$3.5 million to increase compensation and head count at the DOE's Office of Food and Nutrition Services (OFNS).**
- **Renew \$500,000 in City Council discretionary funding for the Food Ed Hub based within the Tisch Food Center.**

Thank you for your time and consideration.

Iyeshima Harris- Ouedraogo

Policy Manager at Equity Advocates

iyeshima@nyequityadvocates.org



**NEW YORK CITY COUNCIL COMMITTEE ON ECONOMIC DEVELOPMENT
PRELIMINARY BUDGET HEARING TESTIMONY
MARCH 23, 2023**

Thank you to Committee Chair Amanda Farias, members of the Committee on Economic Development, and the New York City Council for holding this hearing and for your work to support New Yorkers. I am speaking on behalf of Hot Bread Kitchen, an organization that promotes economic mobility for immigrant women and people of color through job training and placement, food entrepreneurship programs, and an ecosystem of support in New York City, using our city's vibrant food industry as a catalyst for career growth.

Over the past 15 years, Hot Bread Kitchen has supported a community of over 450 program participants, who we call members, in launching careers in the food industry, starting and growing their small businesses, and accessing the resources they need to succeed at work and in the world. Our community, which includes residents of 50 City Council districts, consists primarily of women of color (98%), immigrants (76%), and parents with children under the age of 18 (63%). More than 66% are non-native English speakers, and 89% were unemployed and below the poverty threshold before enrolling in our program. Our members are dedicated, hard-working New Yorkers seeking opportunities for meaningful careers, sustainable income, and long-term wealth generation for their families.

The current path toward economic mobility for our members is laden with barriers. Many women struggle to gain entry-level employment opportunities, and once employed, often lack promotional and advancement opportunities because of a dearth of support and upskilling training. In the face of these challenges, our organization has a proven track record of success connecting women, immigrants, and people of color to opportunities for economic mobility. We are distinguished by our expertise in understanding the needs of hourly wage workers and their families, particularly needs beyond a salary and steady employment, and by our deep partnerships with **over 250 food industry employer partners, 200+ community organizations, and the 260+ small businesses we have incubated** in our 15-year history. Unique in our city's nonprofit landscape, we are the largest and one of the only workforce programs focused on the food industry, which offers a wide range of job opportunities—from entry-level positions to management roles—that allow individuals to work their way up the career ladder, regardless of their background or experience. We recognize that one size does not fit all, so we provide individualized supports to members to match their needs as they prepare to enter the workforce—in many cases for the first time.

We are grateful to have received funding from the City Council previously, including \$50,000 in Speaker funding in FY23, which supported the launch of our strategic growth plan to support at least 1,000 members by 2024. **We are seeking enhanced funding from the Council in FY24** to help us achieve our ambitious goals of tripling our membership and supporting New York City's economic recovery, impacting the lives of countless underserved families and communities.

In FY24, Hot Bread Kitchen has requested the following support from the City Council:

1. **Support from the Speaker's Initiative that would allow us to deepen and expand our one-of-a-kind programming** to facilitate long-term job placement, economic mobility, and financial security for more than 1,000 New Yorkers by 2024, tripling our reach from the 316 members we supported in 2022.
2. **Support from the Bronx and Brooklyn Delegations to increase outreach and recruitment efforts for our borough-based trainings**, which bring our Culinary Fundamentals Program closer to home for many communities across NYC.
3. Funding from the **Job Training and Placement, MWBE Leadership Associations, Bridge Program for Workforce Development, Immigrant Opportunities** initiatives to run a full cohort of our **Culinary Fundamentals Program**.
4. **The creation of a new initiative, the Working Women in Food Initiative**, to support nonprofit organizations, including Hot Bread Kitchen, that provide job training and placement services, bridge training, and/or small business incubation to immigrant women and women of color pursuing economic mobility in the food and hospitality industries.

With the City Council's investment in our work, we'll be able to help and support more careers throughout the five boroughs and facilitate lasting economic growth for 1,000 New Yorkers and counting. Our graduates have gone on to secure jobs with livable wages and benefits, as described by our member Inci below. Additionally, as of 2023, there is a growing need for talent in the food industry—an important sector of New York City's economy that provides jobs and contributes to the city's cultural vibrancy. Workforce development programs like Hot Bread Kitchen are essential to meeting that need. Our programs also promote diversity, equity, and inclusion in the industry, which is crucial for a just and sustainable economic recovery for New York City.

"I want to let other women know that Hot Bread Kitchen is a real game changer. They showed me career opportunities that I didn't think I was able to do by myself. You can really change your life."

-Inci Mayo, Harlem resident and Hot Bread Kitchen graduate

On behalf of Hot Bread Kitchen, I respectfully urge the Committee on Economic Development and the City Council to consider our FY24 budget requests and to consider increasing funding for workforce development more broadly. We believe that investments in women like Inci, our programs, and workforce development for the food industry, are investments in the future of New York City. Thank you for your attention to this important issue and for your investment in Hot Bread Kitchen's work and community.

Leslie Abbey, CEO
Hot Bread Kitchen

Testimony of New York City Employment and Training Coalition (NYCETC)

New York City Council Budget and Oversight Hearings on the Preliminary Budget for Fiscal Year 2024, the Preliminary Capital Plan for Fiscal Years 2024-2027, Fiscal 2024-2033 Preliminary Ten-Year Capital Strategy, and the Fiscal 2023 Preliminary Mayor's Management Report

COMMITTEE ON ECONOMIC DEVELOPMENT

Submitted by Gregory J Morris, CEO

March 23, 2023

I'd like to thank Chair Farias for her leadership and the opportunity to provide testimony. I'm Gregory J Morris, CEO of the New York City Employment and Training Coalition (NYCETC) - the largest city-based workforce development association in the country. For 25 years, NYCETC has played a vital role in presenting and championing policy priorities that 1) support the alignment and coordination of our City's workforce development and economic development communities; 2) seek to reduce and/or eliminate barriers to employment access based on systemic bias and structural racism; and 3) ensure the investments required to supply every New Yorker with the skills, training and education needed to thrive in the 21st century workforce.

NYCETC serves as the *'industry voice'* of more than 220 workforce development providers in New York City who are counted on to provide job training to more than 200,000 New Yorkers each year —primarily individuals who live in under-resourced and underserved neighborhoods. **The most recent survey of our membership indicated that the majority of providers were focused on meeting the needs of women, young adults, NYCHA residents, and immigrants, refugees, asylum seekers, parents and justice-involved individuals.** It is our coalition that is relied upon to connect New Yorkers - of all ages - in every borough - to quality jobs and a living wage; and the services and support necessary to secure long-term, family-sustaining employment.

The need for the services central to our work – job training and career exploration, internships and apprenticeships, college exploration and access, continuing education and persistence programs, employment retention and advancement efforts – has only increased since the onset of COVID-19. At the same time, providers have been overwhelmed by demand for what has often been described as essential “wrap around” services - direct cash assistance programs, legal assistance, and child care. The demonstrated commitment of the Adams administration through [Executive Order 22](#) to an inclusive economic recovery which included the expansion of the Mayor's Office for Talent and Workforce Development, a review of the impact of the New York City Workforce Development Board, and the convening of the Future of Workers Task Force (on which I was proud to serve) is a critical step in the development of the “scaffolding” required to build the aforementioned 21st century workforce.

Recent communications from the [Adams administration](#) regarding an apprenticeship “moonshot” are also promising, BUT job seekers who already face discrimination in the labor market – especially young Black men who continue to experience alarming rates of unemployment – will not find access to apprenticeships without first having access to strong employment “pipelines” that include career development, pre-apprenticeships, “bridge” programs, and supportive services. **An equitable pandemic recovery must be centered on the training, retraining, and retention investments individuals need to enter and engage successfully in growing industries and labor markets. At the same time, we must pass legislation that raises the minimum wage, creates an unemployment “bridge” and reduces barriers to long-term employment, especially for those on public assistance.**

As noted in the New York City Economic Development Corporation (NYCEDC) Report to the New York City Council Finance Division (March 2023), NYCEDC is “charged with leveraging the City’s assets to drive growth, create jobs, and improve quality of life... It uses City resources to create a bridge between City agencies, private business and local communities.” This commitment has never been more critical. As our recent report "[NYC’s Unsettled Covid-19 Era Labor Market: The Case for an Active Labor Market Policy \(January 2023\)](#)” highlights:

- New York’s City unemployment rate was 6.1 percent in the third quarter of 2022, well above the nation’s 3.5 percent. Black workers had an unemployment rate of 9.8 percent, compared to 3.5 percent for white workers.
- Workers with a high school education or less were 25 percent more likely to lose a job while those with a four year college degree or better were 19 percent less likely than the average to be displaced.
- Less than one-third of young men have full-time work. [Employment rates for young males, ages 18-24, dropped from 49 percent in the six months before the pandemic to 38 percent over the second and third quarters of 2022.]
- The number of city residents receiving cash assistance has surged by 112,000, or 35 percent, from February 2020 to September 2022.

To respond to our current labor shortages, prepare to welcome and expand new and growing industries, and provide equitable and inclusive pathways to success for those who have been historically marginalized and disenfranchised and cut off from workforce opportunities, we must support the intersection of workforce development and economic development in New York City.

It is the sustained commitment that we make to filling the strategic, financial, operational, and programmatic gaps between stakeholders - *providers and employers, the New York City school system and higher ed, business alliances and labor, philanthropy and city agencies* - that will dictate whether or not our City’s siloed and under-funded workforce development system is transformed for the purpose of propelling our City forward and preparing New York talent for success.

Whether it's the New Yorkers who drive our local economy today, or the young people who will make up our future workforce, the City of New York does better when its people have access to the resources and education they need to access good paying jobs that sustain them and their communities. **To equalize opportunity for New Yorkers, I respectfully request that the Council invests in workforce development NOW to provide NYCEDC's current and future projects and opportunities, investments and commitments with the skilled labor needed to fulfill all of the City's economic potential.**

- **Commit to investing an additional \$5,000,000 in support of Small Business Services and Workforce Development Initiatives** that position underserved New Yorkers — primarily New Yorkers of color, New Yorkers with low- or moderate-incomes, New Yorkers with multiple barriers to employment, and New Yorkers who have been left out of the growing economy due to systemic and historic marginalization — for success in the workforce. Here's how:
 - Increase funding the **Job Training and Placement Initiative** to \$10,000,000 by including the New York City Employment and Training Coalition as an additional grantee in the amount of \$1,750,000 for the purpose of ensuring that coalition members in every borough can expand access to quality jobs in the highest poverty neighborhoods in New York City.
 - Increase funding for the **Workers Cooperative Business Development Initiative** to \$5,000,000. Worker cooperatives have proven to be an effective and sustainable strategy to democratize access to business ownership and bolster local economies.
 - Increase funding for the **Green Jobs Corps Program** to \$500,000 in support of direct service providers who are working to provide New Yorkers with access to training and employment opportunities in green jobs.
 - Increase funding in **Bridge Program for Workforce Development** to \$1,500,000. This is critical given the success of the training, its connections to the growing tech sector, and the recent increase in the number of cash assistance recipients who will need training to find success in the 21st century economy.
 - Increase funding for the **Chamber on the Go and Small Business Assistance** to \$3,000,000. This is an essential investment in the businesses and entrepreneurs that are innovative, dynamic, and uniquely positioned to provide meaningful jobs in every borough.
 - Increasing funding for **MWBE Leadership Associations** to \$1,000,000. When we commit to the sustainability and expansion of MWBEs, we improve access to opportunity for more New Yorkers — and ensure that our business community reflects the diversity of our City.
- **Commit to restoring and doubling the City's investment in school-year career readiness and paid internship programs from \$9,700,000 to \$20,000,000.** Since the pandemic struck, employment rates have fallen much more sharply for young adults than any other group. Programs like CareerReady WLG and the Career Readiness and Modern Youth Apprenticeship

(CRMYA) are vital to ensure our city's young adults have the skills and education they need to access good-paying careers in their communities. New York City leaders must commit to double the investment in these programs in the FY24 New York City budget. The efforts that we make in support of youth employment should match the commitment that we make to Summer Youth Employment. *This investment will serve as the on-ramp to apprenticeships.*

- **Create and fund social services that allow working families to participate in the workforce.**

First and foremost, New York City must create an in-training child care subsidy program to support women and single parents who would otherwise be unable to access the skills and education they need to access good-paying jobs. Likewise, the City must ensure that it funds dual training vouchers to help job seekers pay for the short-term training they need to access new opportunities.

- **Create transparency and accountability by establishing robust workforce development goals and key performance indicators (KPIs) that align to a shared city-wide workforce agenda.** The compliance efforts must include a sub-committee for convening and oversight (*Sub-committee on Labor Market Access and Equity*), quarterly reports tracking the City's progress toward its workforce development goals, the establishment of an interactive map that assess and focuses on the needs of specific populations, neighborhoods, and sectors that require attention and investment to improve workforce access and equity.

- **Commit to pay equity between NYC's agencies and contracted providers and timely contract payments to increase retention and employment success rates; and ensure support is available to New Yorkers who need additional access and support to find, secure, and retain employment.**

New York City's workforce development system is as diverse and ambitious as the city itself, yet there are still too many barriers and disconnections that hold us back from a truly inclusive economy. Please protect and invest in funding for workforce development in this budget to maximize employer access to talent, reduce workforce barriers for underserved populations, and strengthen local economies.

Thank you for the opportunity to provide testimony on the budget. For further questions, I can be reached at 646-469-2683 or gmmorris@nycetc.org.



231 West 39th St. | Suite 1200 | New York, NY 10018

Telephone: 212.719.9393 | Fax: 212.642.9636 | roundabouttheatre.org

American Airlines Theatre • Stephen Sondheim Theatre • Studio 54 • Black Box Theatre and Laura Pels Theatre at the Harold and Miriam Steinberg Center for Theatre

Thursday, March 23, 2023

Re: In Support of Expanding the City's FY24 Cultural Budget

To: City Council's Committee on Economic Development

Thank you so much, Chair Farías and esteemed members of this Committee, for this opportunity to provide testimony. My name is Sarah Mercanti, and I am the Director of Government Relations for the Roundabout Theatre Company, represented by City Council Members Erik Bottcher and Majority Leader Keith Powers. Thank you all for everything you have done for the arts in our city, the cultural epicenter of the world.

As the nation's largest nonprofit theatre, Roundabout strives to pioneer programming that meets the ever-evolving challenges of our industry and community, such as our **Theatrical Workforce Development Program**, which provides direct pathways to backstage careers for New York's underemployed youth. Recognizing our role as a leading producer of revivals, we devised **The Refocus Project** in 2021 to redefine the American canon of "classics," which has historically excluded playwrights that may have been overlooked because of their race, ethnicity, gender expression, sexuality, or other social barriers of their time. Our aim is to inspire fully staged productions of these plays, at Roundabout and throughout our industry, and that ripple effect has already begun. After taking their much-deserved Broadway bows at the American Airlines Theatre in 2021, **Trouble in Mind** and playwright Alice Childress both appeared on American Theatre Magazine's annual lists of Top 10 Most-Produced Plays and Top 20 Most-Produced Playwrights for the 2022-23 season.

Programmatic innovation and expansion have significantly slowed in the wake of the pandemic. COVID certainly has had a lasting, devastating impact on the financial stability of our sector as the first industry to close, and the last to reopen after an 18-month long shutdown. Since reopening from COVID two years ago, Roundabout's audiences on average remain at **50% of pre-COVID numbers**; even with an abridged 5-show season, we are projecting a **\$4M deficit for FY23**. Despite these losses, we remain committed to serving artists, investing \$4M to provide arts education initiatives to over 24,000 NYC public school students, teachers, young adults, and community members, and stewarding a \$30M+ capital portfolio of five historic theaters in Manhattan's Theater District.

The federal relief funding that kept us afloat has gone, and our audiences – especially the regional, tri-state area tourists – have not fully returned. We thus remain in a financial crisis. Roundabout stands in solidarity with NYC's cultural organizations, who are united in asking for the following in FY24:



231 West 39th St. | Suite 1200 | New York, NY 10018

Telephone: 212.719.9393 | Fax: 212.642.9636 | roundabouttheatre.org

American Airlines Theatre • Stephen Sondheim Theatre • Studio 54 • Black Box Theatre and Laura Pels Theatre at the Harold and Miriam Steinberg Center for Theatre

- For the **baseline of \$40M** that was added to last year's Culture Budget; this would be the first increase to the cultural baseline in over a decade.
- For **an additional \$10M** to equitably fund the cultural ecosystem. Without increasing the amount of funding available to all nonprofits, organizations including Roundabout are at risk. In FY23, we gratefully received "Safety Net Funding" in lieu of being completely defunded by CDF; still, this was a 25% decrease in Roundabout's DCLA, non-Council funding. At this time, safety net funding is not guaranteed in FY24, and it should be secured to stabilize our field. **Roundabout is a large, non-CIG institution and we too are vulnerable to constant fluctuations in public cultural funding.** Stable public funding allows us to not only sustain the depth and breadth of our impact across the five boroughs, but also be nimble in times of dramatic change, taking the programmatic risks that meet New Yorkers' most pressing needs and can then be modeled by the rest of our field.
- And finally, for the **increase in funding to the Council Initiatives**, especially CASA. Many Council Districts have more schools than CASA allocations available, and so gaps in arts education access are able to persist. By increasing initiative opportunities, even more cultural organizations can partner and deliver their critical services that will boost students' social-emotional learning and ensure their long-term success.

An investment in the arts is an investment in NYC's economic and cultural vibrancy, the return of tourism, and public safety. **The not-for-profit cultural community in NYC is an \$8 Billion industry with \$21.2 Billion generated in additional economic impact (Create NYC), making the arts inextricably linked to the economic success of New York City.** Given that SMU Data Arts estimates recovery to pre-pandemic levels of activity – which relies on the return of audiences – to take three to five years, the city's robust, creative investment in DCLA and Council Initiatives, as well as the comprehensive economic development of cultural organizations, is critical for us to move out of recovery and into the growth phase post-COVID with the rest of the city's economy.

Thank you so much for your time.

Sincerely,

Sarah Mercanti

Director of Government Relations

smercanti@roundabouttheatre.org



TESTIMONY

Preliminary Budget Hearing:

“New York City’s Worker Cooperative Business Development Initiative:
Worker Cooperatives- An Essential Model for Business Sustainability and Recovery”

Presented to

New York City Council hearing, Committee on Economic Development
Hon. Amanda Farias, Chair
Thursday March 23, 2023

Prepared By:

Catherine Murcek, Worker-Owner
Samamkaya Yoga Back Care & Scoliosis Collective

Samamkaya Yoga Back Care & Scoliosis Collective

119 W 23rd Street, Ste. 406

646-964-5772

info@samamkayabackcare.com

www.samamkayabackcare.com

Thank you Chair Farias and Honorable Council Members of the Committee on Economic Development for the opportunity to testify. My name is Catherine Murcek and I am a worker-owner at Samamkaya Yoga Back Care & Scoliosis Collective and an elected member of the Advocacy Council coordinated by the NYC Network of Worker Cooperatives (NYCNoWC), a partner organization of the Worker Cooperative Business Development Initiative (WCBDI) and a member of the United for Small Business NYC (USBnyc) coalition. Our community of democratic worker-run businesses is predominantly led by women and people of color, representing communities across the five boroughs and a wide array of industries from cleaning to catering, manufacturing, media, childcare, and more. Thanks to the City Council's support over the last eight years, we have the largest network of cooperatives in the U.S! I am testifying today to ask you to please **continue to support the great work of WCBDI** as a crucial component of a just recovery, and as another part of those efforts I also urge you to **ramp up efforts to regulate commercial rents** for small businesses across the city as we struggle to recover from the pandemic.

My business, Samamkaya Yoga, is a very special, small studio focusing on the therapeutic applications of yoga for people with a wide range of body types and ability levels, including those with Scoliosis, herniated discs, a fused spine, and we even have an adaptive yoga class for folks with more limiting disabilities. The business formed just over eight years ago when a group of instructors highly skilled in therapeutic yoga for back issues were feeling exploited and underappreciated at another studio and decided to start their own worker cooperative, which is, in other words, a business that is co-owned and democratically-run by its workers.

Because of the then newly funded citywide initiative, WCBDI, the founding members were able to get legal support from NYCNoWC to form the business as an LLC cooperative with an Operating Agreement and a system for sharing profit based on the number of hours worked at the studio. One of the founders was fortunately able to provide a zero interest personal loan to the business to build out the small studio space in Chelsea to the very specific requirements of alignment-focused therapeutic yoga. In addition, through NYCNoWC's Principle 6 program the studio has over the years been able to have business cards printed for all faculty members by Radix Media cooperative. We have also been grateful to have attended a number of workshops and business coaching sessions over the years from NYCNoWC, BOCnet, and CAMBA.

Joining Samamkaya as a worker-owner seven years ago has been a truly transformative experience for me. In an industry where most yoga instructors are accustomed to being 1099 Independent contractors, to be able to have a vote in decisions about the business that will affect its members was really empowering. In addition, because cooperatives are built on certain principles including concern for community, one worker one vote, and training and education for its members, it has felt incredibly rewarding to be part of a values-driven business. Cooperatives allow the freedom to get involved in different aspects of the business that one might not have thought of before; to learn and grow in new ways. And, every member has incentive for the business to do well because every member is financially and energetically invested in the business and will do what it takes to see the business succeed.

This became even more clear for me at this time three years ago when so many non-essential businesses like mine were forced to close their doors in order to prevent further spread of COVID-19. All our members snapped into action as much as they were able, divvying up the tremendous labor of researching different platforms we might use to switch to online offerings and different grants that might be available to help keep us afloat. We completely revamped our schedule, pay, and fee structures in an equitable way that would make it easier on the studio but also for the teachers who were ineligible for unemployment; we worked together to find the best possible solution for both the business and its workers.

We were hopeful when SBS announced the Employee Retention Grant and Small Business Continuity Loan, but we were not eligible for the grant because we all work part-time and we really could not consider taking on more debt at this time since we still have a large debt from our start-up costs. Through the **Commercial Lease Assistance program (CLA)** we were able to set up a legal consultation to advise us on our commercial lease and how we might approach negotiations with our landlord, which fortunately went well, and we hope you will continue to fund that program. Even though we were one of the fortunate few small businesses I know of to have been able to negotiate our rent, we did so on the condition that we renew our lease for another ten years, during which period our rent will gradually rise to “market rate”. Unfortunately, this makes our future remain uncertain because our numbers have not recovered to pre-pandemic levels and we have very limited opportunities for growing our classes due to the small capacity of our space. A fair and just system of **commercial rent stabilization** like the one proposed in **Councilmember Ayala’s Intro 93** would allow small businesses like mine to feel secure enough to plan for the future.

Even though we have experienced significant losses in revenue, I know that we fared better than many other yoga studio and wellness businesses--of which so many have sadly closed for good--in a large part because of our democratic structure. Other traditionally-run studios I know of have reduced teachers’ pay and number of classes, let go of teachers, or even closed their doors indefinitely. Because of the resiliency of the cooperative model, and because of the wonderful support offered by the WCBDI partner organizations and the cooperative ecosystem, I am more convinced than ever that cooperative businesses are a necessary and quintessential part of a just economic recovery and for building a strong and resilient economy.

I urge the City council to continue **to support and build on the Worker Cooperative Business Development Initiative, enhancing its funding to \$4.9 million** so that all the incredible partner organizations involved can continue providing legal services, education, and technical assistance to our growing community of locally-driven community-focused businesses. The way that the initiative partners coordinate and collaborate with each other is groundbreaking and shows a real commitment to economic democracy within development in addition to empowering small businesses through workplace democracy. They continued uninterrupted services throughout the pandemic and in many cases added services that were outside their original plans, like workshops to help worker owners respond to the crisis, information about available resources, and support for loan and grant applications. They also make sure that worker-owners have “a seat at the table” when making important decisions through the

leadership skill building program of NYCNoWC's Advocacy Council, which gives worker-owners the training and support they need to bring their voices to policy spaces.

There is so much we are eager to explore with the City Council to help ensure that the workers in our small business communities aren't just surviving, but thriving. Most worker cooperatives in our community have not been able to **access affordable commercial spaces**, and we would deeply appreciate assistance with that. We have a goal of creating cooperative co-working hubs in every borough but for now, we lack the resources and capacity to make that a reality. Ideally these hubs would be developed using the **Community Land Trust** model in order to foster community control and economic democracy. Cooperatives are also eager to take on **procurement opportunities** with city agencies, but have had trouble accessing city contracts due to a variety of factors. In addition, **access to direct financing** has been a major barrier for many co-ops to access capital to start up their business or to help it grow. For now, the best option for most co-op startups is through the innovative model used by The Working World, a CDFI and a partner in the WCBDI which supports every one of its loan recipients with education and technical assistance to help them succeed, and only accepts repayment once the business is profitable, but their resources are limited and they need your support. Please refer to www.workercoop.nyc for more info about our municipal policy priorities.

Further, in coalition with and in support of other groups, I urge you to support long term community-driven efforts toward a just recovery by supporting the following. 1) **Draft a version A and hold a hearing on Intro 93 for commercial rent stabilization.** City council needs to take this very seriously in order to protect our broader small business community from future continued closures and displacement in the aftermath of the pandemic. Rents were already too high before the pandemic began, so we need long-term solutions to prevent further displacement of small businesses across the city. Landlords should not be allowed to quadruple a small business's rent in order to get the highest bidder into a commercial space, but there is currently no law preventing that. A fair and just system of commercial rent stabilization would help to level the playing field, making much needed spaces more attainable for a more diverse array of small businesses, which contribute to the cultural fabric of our great city. The idea that rents are lower or more manageable post-pandemic is a myth. 2) Preserve permanent funding for the **Commercial Lease Assistance program** in the budget. 3) Please consider a **new round of grant opportunities--as opposed to loans--with expanded eligibility and language access to allow for more types of small businesses** to get back on their feet on the long road to economic recovery. 4) **Fund community-based organizations engaged in merchant organizing and outreach** to give small businesses across the city the voice they deserve. 5) Finally, **increase accessibility to SBS services for Limited English Proficiency immigrant small business owners** by expanding language capacity within the agency.

In conclusion, democratic workplaces in our most vulnerable communities help protect against wealth extraction by building up community wealth, the capacity for community control, and by protecting jobs and wages. My cooperative community members and I urge you to continue to support WCBDI and build on all efforts that prioritize equity—and protect NYC's women,

immigrants, and BIPOC small business workers from displacement—to ensure a just economic recovery. Thank you for your work and for reading my testimony.



Testimony presented at the New York City Council Committee on Consumer and Worker Protection Preliminary Budget Hearing

3/23/2023

Good afternoon, my name is Carina Kaufman-Gutierrez. I am the Deputy Director of the Street Vendor Project, a membership-based organization that champions the rights of street vendors as small businesses to contribute to the life and culture of New York City. As the only organization that exclusively serves street vendors in New York City, SVP is the centralized hub for this underserved population, providing critical services to vendors since 2001.

SVP requests support from New York City Council to sustain and expand our essential Small Business Consultation Program for street vendors.

NYC's street vendors, a growing workforce of over 20,000, come from some of the most marginalized communities, specifically immigrant communities of color and low-income households. Approximately 95% of street vendors are immigrants (including many undocumented immigrants) who have limited access to other employment opportunities. Many operate at the margins of the formal economy; a survey of 2114 SVP members, conducted in 2021, found that 38% did not have health insurance, 33% did not have bank accounts, and 96% had never received any business training from the state or city government. During the pandemic, 97% did not receive any small business loans or grants from the government.

The street vending industry has grown exponentially over the past three years as many New Yorkers who found themselves unemployed during the pandemic turned to street vending to survive, and plan to remain vendors due to the many benefits of the work, as well as a slow economic recovery. This hastens the need for robust small business services designed for the vending community.

SVP created the Small Business Consultation Program in 2020 to provide a holistic approach to establishing financial independence, self-sufficiency, and small business growth for vendors across the five boroughs. Through this program, facilitated in five languages by our multilingual staff, we provide our members with the tools, resources, and skills to grow their businesses, including assistance with setting up bank accounts, taking e-payments, and using social media to market their businesses. This program is specifically targeted to the street vendor population, many of whom are older immigrants with limited digital literacy. We reach out to the vending community through phonebanking, street outreach, and membership meetings, and we have an open-door policy at our office in Manhattan, where vendors come in for individual consultations.

In the past year, we have conducted over 500 individual consultations with vendors in five languages. Language access is extremely important for our organization to deliver effective services, and as such we hold capacity in the five most common languages spoken within the vending community. In the past year, 57% of our small business consultations were conducted in Spanish, 20% in Mandarin, 14% in English, 5% in Arabic, and 3% in Bangla. A growing number of vendors are women, and in the past year, 59% of our consultations were with female vendors.

Since we launched this program in 2020, it has proved to be one of SVP's most popular services, with the number of consultations increasing rapidly. In Fiscal Year 2020, we provided 210 consultations with vendors. In Fiscal Year 2021, we provided 318 consultations. This illustrates the strong need for accessible small business services targeted for the street vending community.

Street vendors are central to our city's culture and economy. By empowering vendors to improve their financial literacy, our services help them integrate into the formalized economy - allowing them to open bank accounts, access credit, regularly pay and file taxes, and grow their businesses. Thank you for your consideration of this proposal in supporting the small business owners that make New York City beautiful and diverse.

Contract with the Worker Cooperatives Business Development Initiative

Hello Council Members

My name is Lillian Cortes-Guzman I am a Small Business owner in the South Bronx.

I want to Thank You for your time as I present my testimony in support of Mothers on the Move receiving its own contract rather than being a subcontractor as it has been in the past.

Mothers on the move has been made it a top priority to support our community, they cannot do this without the funding necessary to properly support the growing community that they work with. It is vitally important especially now during the rebuild of our community, that we invest time and money into the small business that are the foundation in our communities.

I am a childcare provider and have been in this field for the last 20 years, during the last 3 years I have seen many of my fellow providers close their doors because they did not have access to information or resources. We as providers are the very base of the workforce allowing parents the ability to reenter the workforce after the pandemic and continue to build our economy back up. Mothers on the Move has been at the forefront of assisting providers in my community and providing us with the information and opportunity to make progress during difficult times.

So today I am asking you to please give Mothers on the move their own contract and allow them to double their efforts in the community.

Once again, I thank you for your time, and wish you a wonderful day.

Sincerely,

Lillian Cortes-Guzman

Testimony to the City Council Committee on Economic Development
Submitted by Michael Bilbrew, founder of the Proclivity World Inc
March 23, 2023

- Good afternoon Chair Farias and committee members, thank you for the opportunity to speak today.
- My name is Michael Bilbrew. I am here today as a human to speak with you as fellow human beings, because human beings, matter.
- I spent many years in prison, for the purpose of rehabilitation from my past as a gang member. I served my time, and followed the process provided by DOCCS - a process accepted by administration and furthered when reentry and reintegration was written into the penal laws.
- Providing a process for re-entry and reintegration is a wonderful beginning towards making society better, but something is missing?
- And that is, the implementation of reentry and reintegration in our society.
- Money is allocated to the prison systems whose goal is to rehabilitate people deemed to be "criminals." Subsequently, the rehabilitated have to re enter society. And what does society have to offer?
- Under funded social services, organizations rendered grant money, and even some incentives given to hire people with conviction records.
- But the jobs available to people re-entering society are only the most entry-level, and only pay \$15 per hour, with no clear path for advancement.
- Living on \$15 an hour in New York City is not possible.
- If we want people to fully re-integrate into society and be able to lead stable lives, support their families, and contribute to their communities, we need to offer real career pathway for people returning home.
- Research shows that access to economic opportunity reduces recidivism and improves public safety.
- So I urge this City Council to ensure that this year's City budget includes real, substantial resources dedicated to providing living wage jobs and career pathways for people re-entering society.
- We know New York City can afford to do it. We are spending over half a million dollars a year to keep a person at Rikers Island, and the Mayor's policies are driving up the jail populations when we should be reducing it and moving forward with closing Rikers Island.
- There is no questions in my mind that we can close Rikers Island by making sure that people have real economic opportunities, and the City Council can make sure that this year's budget supports that, instead of wasting more money on Rikers Island

email: proclivityworld@gmail.com



Testimony of Juan Diaz
Policy and Advocacy Associate
Citizens' Committee for Children of New York
Presented to the New York City Council Committee on Economic Development
March 23rd, 2023

Citizens' Committee for Children of New York is a 79-year-old independent, multi-issue child advocacy organization. CCC does not accept or receive public resources, provide direct services, nor represent a sector or workforce; our priority is improving outcomes for children and families through research and advocacy. We document the facts, engage, and mobilize New Yorkers, and advocate for solutions to ensure that every New York child is healthy, housed, educated, and safe.

Thank you, Chair Farias and all the members of the Committee on Economic Development, for holding today's important oversight hearing on the response to FY 2023-24 Executive Preliminary Budget.

New York City child poverty rate of 23.8 percent remains much higher than the national average of 16.9 percent.ⁱ Although there was a reduction of child poverty in FY 2020 and FY 2021 due to federal economic supports like the Child Tax Credit and unemployment benefits, most of these federal supports have since ended. Families across the city continue to recover from the compounding effects of COVID-19, job insecurity, low wages, and a 40-year high inflation rate that has dramatically increased the costs of basic needs.

Below we provide recommendations for how the City can better support low-income families and children through this year's city budget, including by addressing staffing shortages at government agencies, supporting the human services workforce, expanding income eligibility to low-income individuals who access public transportation, and establishing basic universal income pilots for the most marginalized families. These recommendations will help ensure thousands of New Yorkers are employed, fairly compensated, and able to access essential benefits. Collectively, these steps can have a multiplier effect on economic recovery as financially secure families are able to contribute to the local economy.

Address Staffing Shortages at Government Agencies and Expediting Access to Supportive Services

The Mayor's FY 2024 Preliminary Budget calls for PEGs across human services agencies. CCC and advocates across the city are deeply concerned about proposed staff reductions, given that families throughout the city are already suffering from severe delays in accessing cash assistance, food support, and housing assistance in a timely manner due to understaffing at HRA. **We urge the City Council to not only oppose staffing reductions, but to advocate that the city provide the resources and support necessary to fill existing vacancies quickly.**

Additionally, there are multiple steps city leaders can take to ensure families can expeditiously access cash assistance, food supports, housing vouchers, and other essential supports:

- **Increase HRA's budget baseline to engage community based organizations (CBOs) in benefits outreach and streamline benefits applications.**
- **Direct HRA to ensure that any cuts in headcount vacancy do not impact benefits enrollment and frontline positions are not eliminated.** Increase wages to help fill critical vacancies and improve internal systems to more efficient. Delays in processing SNAP applications are causing irreparable harm to families already struggling with other high costs.
- **Eliminate the 90-day waiting period for CityFHEPS eligibility (Int 0878 by Sanchez, Ayala, Hanif, Bottcher & Won).** A key strategy for improving families with children's access to CityFHEPS housing eligibility is to eliminate or modify the 90-day shelter stay rule that requires individuals and families to be in shelter for 90 days before becoming eligible for CityFHEPS. We urge you to continue your support for eliminating this illogical and costly administrative rule.
- **Permit accepting a rent-demand letter from landlords instead of a housing court eviction to qualify for CityFHEPS (Intro 2864 by Sanchez).** This eligibility requirement was temporarily implemented during the pandemic, and it helped many families prevent eviction. This change should be made permanent.
- **Remove the requirement that individuals must have had a shelter stay before qualifying for CityFHEPS (Intro 2862 by Ayala).** Residing in shelters can create a harmful environment for children and affects their educational development, among other areas. Additionally, providing CityFHEPS assistance while in the community instead of requiring shelter entry would save the City hundreds of millions of dollars.
- **Make youth categorically eligible for CityFHEPS vouchers.** Youth experiencing homelessness in both DYCD-funded Runaway and Homeless Youth and those youth transitioning out of ACS care should be made categorically eligible for CityFHEPS vouchers without first having to enter a DHS shelter. This will prevent young people from unnecessarily entering shelter, make vouchers easier to access, and support the Administration's goals of eliminating youth homelessness.
- **Expand CityFHEPS eligibility to families and individuals that enter city shelters through pathways other than just DHS.** This should include HPD, domestic violence and runaway youth, who currently are ineligible for CityFHEPS unless they enter the system through DHS. While in the DHS shelter system, individuals and families staying in shelters other than DHS must remain 90 days before they qualify for CityFHEPS assistance. This unnecessary use of City resources could be allocated to supporting families to find suitable housing.

Accelerate Payments Processing for Non-profit Contracts

The non-profit sector is struggling to retain staff as the City owes billions of dollars in contracts to over 450 providers. Some of them have not been paid for services rendered over two years ago. Non-profit providers are essential to both the City economy and to assisting the most vulnerable New Yorkers, especially in time of high need as during the Covid-19 pandemic. Last year the Mayor's office announced that over \$4.2 billion in contractual dollars were unlocked through the 'Clear the Backlog' initiative, and that 2600 previously unregistered, retroactive contract actions were submitted for registration.ⁱⁱ However, providers continue to face the impact of unpaid contracts, particularly in the Early Care and Education system.

CCC and partners continue to hear countless accounts of delayed payments and enrollment barriers from providers and parents, issues with accessing the preferred modality of care, and difficulty finding care at the right hours. The current flaws within the City's early childhood education system are urgent and must be addressed immediately, yet the Mayor's Preliminary Budget cuts the expansion of 3-K for All programs and fails to take action on investments and operational reforms needed to stabilize and strengthen the system and meet the needs of children, families and the workforce. **We urge city leaders to finalize catching up on back payments, bringing all center-based providers to no less than 75% of their full contract value for FY2022 and increase FY2023 advance payments to 75% of full contract value to address emerging and serious payment delays for the current fiscal year and future fiscal years. Moreover,** we urge the City Administration to accelerate the registration and payment process so non-profit providers can continue to provide ongoing essential services and support the City economy.

Human Services Workers COLA Enhancement

At the state level, advocates are fighting in support of an 8.5% COLA for the human services workforce. **New York City should seek to match the 8.5% proposed COLA for the human services workforce, and at a minimum advance a 6.5% COLA at the city level, in order to ensure parity between providers of city and state contracts, and to help ensure a stable and sustainable health and human services workforce.**

The human services industry is comprised predominantly of women of color and immigrants' heads of households, who struggle to make ends meet during the ongoing inflation and rise of basic needs prices. Many human services workers in New York City must rely on government assistance due to low wages and the high cost of living, as one in five rely on SNAP benefits assistance.ⁱⁱⁱ Homeless prevention, food supports, after school services and childcare, and behavioral health are all fields that were at the forefront during the Covid-19 pandemic, yet many of its workforce struggle with housing, food, and income insecurity, leading to burnout and poverty. Supporting a significant COLA is necessary to support these essential workers and the important services they provide.

Transportation Access to Support Employment and Economic Security

Low-income households must make many sacrifices to afford basic needs, rent, and utilities. Transportation costs add more restraints to an already limited budget for low-income families with children. **As such, CCC supports Speaker Adams' call to expand the City Fair Fares income eligibility to 200 percent of the Federal Poverty Level (FPL) to ensure that low-income families have access to public transportation.** Fair Fares provides 50 percent price discount to eligible New Yorkers.

Currently to receive the Fair Fares discount, the annual income of a family of three must be under \$24,860. However, a single parent earning the minimum wage earns \$31,200 and is currently ineligible for the 50 percent discount. If the income threshold is increased to 200 percent of the FPL (\$ 42,606 for a family of three),^{iv} a single parent of two earning minimum wage could see \$762 in savings. Low-income households with a child over the age of 12 would see even greater savings as a result of both the parent and child accessing a reduced-fare card. Furthermore, approximately 1.7 million working age New Yorkers would qualify for Fair Fares at 200 FPL, and around 772,000 are likely to be regular bus and subway commuters.^v By increasing the Fair Fares income threshold to 200 percent of FPL, heads of households and their children would be able to access work, medical appointments, education, and employment training without the additional financial pressure of travel expenses.

Support City-funded Universal Basic Income Pilots

CCC applauds Speaker Adams' proposal to include \$5 million in the FY2023-24 budget to fund Universal Basic Income (UBI) pilots specifically for low-income mothers with infants and special populations of youth at risk of poverty due to engagement with the foster or justice systems. New York City has a unique opportunity to fund county-level UBI pilots to mirror local and nationwide programs that have produced positive developmental and economic outcomes for mothers and young children.

During the height of the Covid-19 pandemic as families with young children struggled with the compounding effects of economic insecurity, several universal basic income (UBI) pilot programs provided essential income support. One NYC-based program, the [Bridge Project](#) has provided varying cash support to mothers in upper Manhattan and the Bronx over a three-year period, and has recently expanded to include a cohort of pregnant mothers. Initial reports and anecdotal narratives from participants show the positive outcomes that UBI has on both the young child's early years and the caregiver's health, mental health, and economic wellbeing.

Similar UBI pilots around the nation have produced positive results in terms of improving the financial, mental and physical well-being of participants and their families. One of these pilots is the Stockton Empowerment and Economic Development (SEEDS), which provided \$500 for a 24-month period to 125 participants from Stockton, California. An independent study found that the ongoing monthly payments significantly reduced income volatility, increased the number of full-time employment among participants from 28 percent to 40 percent, and participants spent

more than 90 percent of their income on food, utility and medicals bills, transportation, and basic needs.^{vi} **Supporting guaranteed income pilots for families with children under the age of three, youth involved in the child welfare or justice systems, and other vulnerable youth could change the lives of New York City families and create stability and support as New Yorkers continue to recover from the pandemic.**

Thank you for the opportunity to testify and your support to uplift marginalized New York families out of poverty.

ⁱ Craig Benson (2022). *Poverty Rate of Children Higher Than National Rate, Lower for Older Populations*. United States Census Bureau. Retrieved from: <https://www.census.gov/library/stories/2022/10/poverty-rate-varies-by-age-groups.html>

ⁱⁱ *Mayor Adams Announces City has Unlocked More Than \$4.2 Billion in Contractual Dollars for Nonprofits Through "Clear the Backlog Initiative"*(2022). New York City Mayor Office. Retrieved from: <https://www.nyc.gov/office-of-the-mayor/news/552-22/mayor-adams-city-has-unlocked-more-4-2-billion-contractual-dollars-for#/0>

ⁱⁱⁱ Olivia Bensimon (2022). "Amid Inflation and Increased Demand, Human Services Workers Struggle with Burnout". City Limits. Retrieved from: <https://citylimits.org/2022/09/05/amid-inflation-and-increased-demand-humanservices-workers-struggle-with-burnout/>

^{iv} *2022-2023 Federal Income Guidelines*. New York State Department of Health. Retrieved from: https://www.health.ny.gov/prevention/nutrition/wic/income_guidelines.htm

^v David R. Jones (2023). *Urban Agenda: To Unlock Fair Fares' Potential, Expand Eligibility to 200 Percent of Poverty*. New York Amsterdam News. Retrieved from: <https://amsterdamnews.com/news/2023/03/16/urban-agenda-to-unlock-fair-fares-potential-expand-eligibility-to-200-percent-of-poverty/>

^{vi} West, S., Baker, A. C., Samra, S., & Coltrera, E. (2021). Preliminary analysis: SEED's first year. Stockton, CA: Stockton Economic Empowerment Demonstration, 500.

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

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

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: JENNIFER MONTALVO

Address: CHIEF OF STAFF

I represent: NYC EDC

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

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

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: CARINA KAUFMAN-GUTIERREZ

Address: _____

I represent: Street Vendor Project

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

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

☐ in favor ☐ in opposition

Date: 3/23/23

(PLEASE PRINT)

Name: GREGORY J MORRIS

Address: ST MARKS AVE B'LYN 11217

I represent: NEW YORK CITY EMPLOYMENT & TRAINING

Address: 121 Ave of Americas

NYC

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

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

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

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: ANDREW KIMBALL, PRESIDENT

Address: _____ +640

I represent: NY/CDC

Address: _____

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

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

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

☐ in favor ☐ in opposition

Date: 3-23-2023

(PLEASE PRINT)

Name: Michael Bibrew

Address: 200th street

I represent: Proclivity World / Freedom Agenda

Address: _____

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