

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON SMALL BUSINESS

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January 23, 2020
Start: 10:38 AM
Recess: 10:44 AM

HELD AT: Council Chambers - City Hall

B E F O R E: MARK GJONAJ
Chairperson

COUNCIL MEMBERS: Stephen T. Levin
Bill Perkins
Ydanis A. Rodriguez
Helen K. Rosenthal

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

2 (sound check) (pause) (background
3 comments) (gavel)

4 CHAIRPERSON GJONAJ: Good morning. I'm
5 Council Member Mark Gjonaj, Chair of the Committee on
6 Small Business, and I would like to welcome you to
7 our vote on Intro 1408-B, a bill designated to make
8 more affordable retail space available for businesses
9 where needed. Thank you for making time for us
10 today. Small businesses are the life blood of the
11 city. Our local businesses are major employers of
12 city residents, add billions of dollars to the city's
13 GDP, and are anchors in their communities providing—
14 providing culturally relevant goods and services and
15 a space for neighbors to convene. Despite local mom
16 and pop shops being an integral aspect of our city's
17 unique and vibrant culture, small businesses are
18 finding it more and more difficult to keep their
19 doors open. The rise of e-commerce, big box store
20 competition and changes in consumer behavior and
21 excessive government regulation and taxes are making
22 it hard for our small businesses to survive. This
23 has impacted micro businesses across the city and the
24 country for that matter. In my Bronx—in my own Bronx
25 district alone, a hobby shop known as Hobby Heroes

2 after 45 years in business on East Tremont Avenue is
3 now shutting its doors due to the pressures they're
4 facing from e-commerce competition. Increasing rents
5 are also a major obstacle for mom and pop shops. This
6 month Neir's Tavern in Queens, which opened in 1829
7 and is commonly known as the city's oldest bar nearly
8 closed due to a dramatic rent increase. Providing
9 more affordable retail space is essential to ensuring
10 our cherished neighborhood shops can survive. Intro
11 1408-B would compel the city to conduct a study each
12 time certain development projects receive city
13 funding. The city's study would include an analysis
14 of the neighborhood and commercial environment to
15 determine whether affordable retail space is
16 appropriate for the neighborhood. That space would
17 be leased to micro businesses at a below market rate
18 and chains and businesses engaging in direct
19 competition with neighborhood shops and restaurants
20 would not be eligible. We look to this bill to
21 increase below market rate retail space for our
22 independently locally owned businesses. We must work
23 to protect our commercial corridors so they can
24 maintain the vibrancy of our neighborhoods, the tax
25 base and character of our communities at a time when

2 they are under attack. This piece of legislation we
3 are voting on today will further my goal as Chair of
4 the Committee to protect and empower our hard working
5 micro businesses to achieve the success they deserve.
6 I want to remind everyone that this bill will only go
7 so far. I encourage New Yorkers to give back to
8 their neighborhoods by shopping locally and buying
9 locally. If the deliveryman knows your face and your
10 name and sees you more frequently than your locally
11 mom and pop owned business, you are part of the
12 problem, and not the solution. With that, I want to
13 thank my staff, Chief of Staff Reggie Johnson,
14 Committee Counsel Stephany Jones, the Policy Analyst
15 Noah Meixler, and finally I want to recognize the
16 committee members that have joined us today. We have
17 Council Member Rosenthal, Council Member Perkins with
18 us and--and Councilman Levin. I was hoping, and I
19 don't think we have Council Member--

20 COUNCIL MEMBER: He's over there.

21 CHAIRPERSON GJONAJ: Oh, and my dear
22 friend Council Member Cornegy who is so small that I
23 just oversee—I overlooked him. The introducer of the
24 bill may stop in to say a few words, but he's
25 chairing his own committee, and with that, I'll give

2 it to you to do locally. I'm sorry, I call on Council
3 Member Cornegy who would like to make a statement.

4 COUNCIL MEMBER CORNEGY: So, although I
5 am currently not the—a member of the Small Business
6 Committee, I am the Chair of Housing and Buildings,
7 and I wanted to come by and congratulate the bill's
8 sponsor as well as the Chair on the nuanced thinking
9 around providing commercial affordability to mom and
10 pop businesses on every commercial corridor
11 throughout the city of New York who are facing
12 tremendous stress around escalated leases. We have a
13 responsibility as a city to be nuanced in our
14 thinking and to come up with solutions. We cannot
15 turn the other way. We cannot blame it on all of the
16 market forces. We have to be responsible, and it
17 makes me very proud to be a member of a council with
18 committed members who are solution-oriented. So, I
19 want to just thank the Chair and the bill's sponsor
20 for their nuanced thinking, and I would love to
21 proudly vote aye except I'm not on the committee, but
22 I will vote aye later once it's voted out of this
23 committee in the Stated Meeting. Thank you.

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1 COMMITTEE ON SMALL BUSINESS

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2 CHAIRPERSON GJONAJ: Thank you, Council
3 Member. I also want to acknowledge that we've been
4 joined by Council Member Rodriguez.

5 CLERK: William Martin, Committee Clerk,
6 roll call vote Committee on Small Business,
7 Introduction 1408-B, Chair Gjonaj.

8 CHAIRPERSON GJONAJ: Aye.

9 CLERK: Levin.

10 COUNCIL MEMBER LEVIN: Aye.

11 CLERK: Rodriguez.

12 COUNCIL MEMBER RODRIGUEZ: Aye.

13 CLERK: Rosenthal.

14 COUNCIL MEMBER ROSENTHAL: Aye.

15 CLERK: Perkins.

16 COUNCIL MEMBER PERKINS: Aye.

17 CLERK: By a vote of 5 in the
18 affirmative, zero in the negative and no abstentions,
19 the item has been adopted by the committee. (pause)

20 CHAIRPERSON GJONAJ: The hearing is
21 officially closed. (gavel)

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C E R T I F I C A T E

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



Date February 4, 2020