

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

COMMITTEE ON CONSUMER AFFAIRS
AND BUSINESS LICENSING JOINTLY
WITH SMALL BUSINESS

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December 1, 2020
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HELD AT: Remote Hearing

B E F O R E: Andrew Cohen
Chairperson
Consumer Affairs and Business
Licensing

Mark Gjonaj
Small Business

COUNCIL MEMBERS: Andrew Cohen
Justin L. Brannan
Margaret S. Chin
Peter A. Koo
Karen Koslowitz
Brad S. Lander
Kalman Yeger

Mark Gjonaj
Stephen T. Levin
Bill Perkins
Ydanis Rodriguez
Helen K. Rosenthal

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

Jonnel Doris
Commissioner
Department of Small Business Services

Jackie Mallon
First Deputy Commissioner
Department of Small Business Services

Rebecca Zack
Assistant Commissioner
Intergovernmental and Community Affairs
Department of Transportation

Emily Weidenhof
Director of Public Space
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Quenia Abreu

@

1 COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS 4
LICENSING JOINTLY WITH SMALL BUSINESS

2 SERGEANT AT ARMS MARTINEZ: Call out when
3 you're done.

4 SERGEANT AT ARMS LUGO: Computer
5 recording good.

6 SERGEANT AT ARMS JONES: Cloud good.

7 SERGEANT AT ARMS: Backup is good.

8 SERGEANT AT ARMS MARTINEZ: Sergeant
9 Kotowski, please take us away. Thank you.

10 SERGEANT AT ARMS KOTOWSKI: Good morning
11 and welcome to today's remote New York City Council
12 Hearing of the Committee on Consumer Affairs and
13 Business Licensing joint with Small Business. At
14 this time would council staff please turn on their
15 video. Please place electronic devices on vibrate or
16 silent. If you wish to submit testimony you may do
17 so at testimony@council.nyc.gov. That is
18 testimony@council.nyc.gov. Thank you. Chair, we are
19 ready to begin.

20 CHAIRPERSON COHEN: Thank you, Sergeant.
21 All right. [gavel] Ah, good morning. My name is
22 Andrew Cohen and I am the chair of the Committee on
23 Consumer Affairs and Business Licensing. Today we
24 are conducting a joint oversight hearing on the
25 city's Open Storefront Program with the Committee on

2 Small Business. Open Storefronts allows certain
3 retailers to make use of outdoor sidewalk space to
4 conduct business. I'd like to acknowledge my cochair
5 of this hearing, Council Member Mark Gjonaj, chair of
6 the Small Business Committee, and thank him for his
7 work in supporting the city's struggling small
8 businesses. Ah, we are also joined by Council
9 Members Koo and Koslowitz. Do I have anybody else so
10 far? Oh, I see Councilwoman Rosenthal from Small
11 Business. I'll continue to acknowledge people as,
12 ah, as they [inaudible] here. As we know, the past
13 few years have seen major changes in the retail
14 industry. Online shopping has made it difficult for
15 stores to maintain their storefront presence and
16 across the city we have seen a rash in empty
17 storefronts in typically high-traffic shopping
18 districts. For some retailers the COVID pandemic has
19 been the final nail in the coffin. Even large
20 department stores have been unable to weather the
21 storm and in 2020 the city lost, or will lose, big
22 names like Barney's, Neiman Marcus, and Lord and
23 Taylor. With these large retailers unable to
24 maintain their presence in the city, it is difficult
25 to imagine how smaller stores are able to stay afloat

3 and compete. Somehow, though, many are pushing
4 through. Whether it is through mere resilience or
5 determination, or pure New York-style hustle, the
6 city's small retailers are giving their all to stay
7 open. COVID-related restrictions have made this
8 particularly difficult. The tourist market has dried
9 up and most people are working from home and avoiding
10 shopping in person. Even when they can visit a
11 store, inside capacity for retail stores is
12 restricted. In November small business retail, small
13 business retail revenues were down 35% compared to
14 January, and with support from the federal government
15 stalled it has been difficult for the city to fund
16 comprehensive assistance programs. This is why the
17 committee was encouraged when in late October the
18 mayor announced the Open Storefronts Program, which
19 allows ground floor retailers and some service
20 providers to use the sidewalk in front of their
21 stores to conduct business. After a successful
22 summer of outdoor dining it seemed like a
23 commonsense, it seemed like common sense to allow
24 retailers the same opportunity. Today the committees
25 are eager to hear directly from retailers on their
experience with the program. We are also grateful

3 that the administration has made time to be here
4 today as we would like to hear the reasoning for some
5 of the elements of the programming. For instance,
6 I'm curious why the program was not started earlier,
7 perhaps in the summer when people could take
8 advantage of the good weather. I'd also like to know
9 why the program doesn't fully extend some of the same
10 permissions as the outdoor dining initiative. For
11 example, we recently amended the, the law to allow
12 restaurants participating in outdoor dining to use
13 outdoor heaters, but this is not permitted for the
14 retailers operating outside. We're also keen to hear
15 how widespread the program is. Outdoor dining has
16 been well received, has been a well-received
17 initiative, so much so that we had passed legislation
18 to make it permanent. But the success of outdoor
19 retail is less clear. We hope that we will hear
20 constructive feedback today and implement any needed
21 changes before the program concludes at the end of
22 the year. Before we turn, ah, to testimony I would
23 like to hand, ah, the microphone over to Chair Gjonaj
24 to give his opening remarks.

24 CHAIRPERSON GJONAJ: Thank you, Chair
25 Cohen. Good morning. I'm Council Member Mark

3 Gjonaj, chair of the Committee on Small Business, and
4 I'd like to welcome you to our joint hearing today on
5 the city's Open Storefronts Program. I'd like to
6 start by thanking my colleague and good friend, Chair
7 Cohen, for chairing this hearing with me today. Over
8 65 million Americans have filed for unemployment
9 since the pandemic began. The state Labor Department
10 reported last week that the October unemployment rate
11 in the Bronx was at nearly 18%. By comparison, the
12 unemployment in Brooklyn and Queens was just over
13 13%, while Manhattan and Staten Island have fallen
14 below 11%. This pandemic has left the Bronx not only
15 with the highest unemployment rate of any county in
16 the state, but it also has more than 63% of its
17 residents on Medicaid, compared with an average of
18 45% in Brooklyn and Queens, 33% in Staten Island, and
19 fewer than three in 10 in Manhattan. The consumer
20 activity having dropped since March, as many
21 Americans have cut back on spending, a recent report
22 by the [inaudible] found that sales at clothing and
23 accessory stores were down nearly 90% from February
24 through April. In the city, small business revenues
25 are still down nearly 50% in comparison with this
past January. And small business retail revenues are

3 down 35%. As small businesses are grappling with
4 [inaudible] revenues, many small businesses have been
5 unable to pay rent and have therefore shut their
6 doors. According to a city comptroller report, over
7 800 retail establishments have closed permanently
8 between March 1 and July 10, causing a permanent loss
9 of jobs and wages in the city, as well as tax base.
10 To prevent further closings and unemployment, retail
11 businesses have called for financial relief. Only
12 43% of retail stores in the city that qualified
13 receive a paycheck protection program loan. However,
14 the city's Employee Retention Grant Program and Small
15 Business Loan Fund provided insufficient, inequitable
16 relief across the five boroughs. I was glad to see
17 that SBS recently announced three financial
18 assistance programs available for small businesses in
19 low- to moderate-income neighborhoods. While I'm
20 uncertain that these programs are enough to prevent
21 business closures, I know that business owners
22 welcome all the funding and I appreciate the hard
23 work of Commissioner Doris in getting these programs
24 up and running. The city's taken a number of
25 creative approaches to help boost small business
revenues throughout the pandemic. While the outdoor

3 dining program encountered a number of regulatory
4 hiccups initially, many restaurants were happy for
5 the opportunity to seat more diners and make more
6 sales. I look forward to hearing from the
7 administration today about whether the mayor's Open
8 Storefronts Program has achieved similar levels of
9 success. I wonder how many businesses applied for
10 the program and how many businesses have been able to
11 participate, as well as the outreach and education
12 component for the outer boroughs. Additionally, I
13 also look forward to hearing from advocates about the
14 experience of small businesses that have participated
15 in this program, and I'm interested to hear if the
16 outdoor storefronts program is providing retailers
17 with the assistance this administration promised it
18 would. I fear that small retail stores may soon be a
19 relic of the past. From the rise of e-commerce to
20 big box store component, from [inaudible] changes and
21 other related restrictions, retail stores are
22 struggling to survive. They need help. They need
23 more than we've given them, and they need it today.
24 With that said, I'd like to thank my chief of staff,
25 Reggie Johnson, legislative aide Austin Sackler, and
our senior legislative counsel, Christopher Sartori,

3 our policy analyst, Noah Mitzler, and financial
4 analyst, Leah Holly, for their hard work in preparing
5 for this hearing. I'd like to turn it back over to
6 the committee counsel at this point.

7 CHAIRPERSON COHEN: Thank you, Chair
8 Gjonaj. Um, ah, I just want to make sure I get, ah,
9 acknowledge all the members. Ah, I'm gonna take it
10 from the top again. We have Council Member Koo,
11 Council Member Perkins, Council Member Koslowitz,
12 Council Member Yeger, Council Member Lander, and
13 Council Member Brannan. Ah, I'd also like to just
14 take a second to, ah, acknowledge the hard work of
15 the staff, the Sergeant at Arms in particular, ah, as
16 well as the committee staff, ah, Balkeys Merrick and
17 Aleah Serbiak, as well as Noah Mixler and, ah, my
18 legislative director, Patty Ann Trainer. Ah, I'll
19 now ask the committee counsel to administer the oath.

20 COMMITTEE COUNSEL: Thank you, Chair.
21 Um, I believe you've also been joined by, um, Council
22 Member Rodriguez. So I'd like to acknowledge him as
23 well.

24 CHAIRPERSON COHEN: Excellent, good.
25 Good morning, Council Member Rodriguez.

1 COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS 12
LICENSING JOINTLY WITH SMALL BUSINESS

2 COMMITTEE COUNSEL: I'm Balkeys Merrick,
3 counsel to the Consumer Affairs and Business
4 Licensing Committee of the New York City Council.
5 Before we begin, I want to remind everyone that
6 you'll be on mute until you are called on to testify,
7 when you will be unmuted by the host. I'll be
8 calling on panelists to testify. Please listen for
9 your name to be called. I'll be periodically
10 announcing who the next panelist will be. The first
11 panelist to give testimony will be representing the
12 administration. During the hearing, if council
13 members would to ask a question of the administration
14 or a specific panelist please use the Zoom raise hand
15 function and I will call on you in order. We'll be
16 limiting council member questions to five minutes,
17 which includes the time it takes to answer your
18 questions. Please note that for ease of this virtual
19 hearing we will not be allowing a second round of
20 questions for each panelist outside of the committee
21 chairs. All hearing participants should submit
22 written testimony to testimony@council.nyc.gov. We
23 will now call on representatives of the
24 administration to testify. Testifying first is
25 Commissioner Doris from the Department of Small

1 COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS 13
LICENSING JOINTLY WITH SMALL BUSINESS

2 Business Services, and joining us for Q&A is First
3 Deputy Commissioner Jackie Mallon, and from the
4 Department of Transportation, also joining us for
5 Q&A, will be Rebecca Zack, assistant commissioner for
6 intergovernmental and community affairs, Emily
7 Weidenhof, director of public space, and Julie
8 Schipper, deputy chief of staff. Before we begin I
9 will administer the oath. Commissioner Doris, First
10 Deputy Commissioner Mallon, Assistant Commissioner
11 Zack, Director Weidenhof, and Deputy Chief Schipper,
12 I will call on each of you individually for a
13 response. Please raise your right hands. Do you
14 affirm to tell the truth, the whole truth, and
15 nothing but the truth before these committees and to
16 respond honestly to council member questions?
17 Commissioner Doris?

18 COMMISSIONER DORIS: I do.

19 COMMITTEE COUNSEL: Thank you. First
20 Deputy Commissioner Mallon?

21 FIRST DEPUTY COMMISSIONER MALLON: I do.

22 COMMITTEE COUNSEL: Thank you. Assistant
23 Commissioner Zack?

24 ASSISTANT COMMISSIONER ZACK: I do.
25

1 COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS 14
LICENSING JOINTLY WITH SMALL BUSINESS

2 COMMITTEE COUNSEL: Thank you. Director
3 Weidenhof?

4 DIRECTOR WEIDENHOF: I do.

5 COMMITTEE COUNSEL: Deputy Chief
6 Schipper?

7 DEPUTY CHIEF OF STAFF SCHIPPER: I do.

8 COMMITTEE COUNSEL: Thank you.
9 Commissioner Doris, you may begin when you're ready.

10 COMMISSIONER DORIS: Thank you. And, ah,
11 good morning, ah, to Chair Cohen, Chair Gjonaj, and
12 members of the Committee on Small Business and
13 Consumer Affairs and Business Licensing. As
14 mentioned, my name is Jonnel Doris. I am the
15 commissioner of the New York City Department of Small
16 Business Services. I am joined, as mentioned, by
17 Jackie Mallon, our first deputy commissioner, ah,
18 Julie, ah, Schipper, the deputy chief of staff,
19 Rebecca Zack, assistant commissioner of
20 intergovernmental and community affairs, and Emily
21 Weidenhof, director of public space at the Department
22 of Transportation. It is my pleasure to testify
23 before the City Council today. These are difficult
24 times and it is my sincere hope that each of you and
25 your loved ones are staying safe and healthy. Last

3 week I testified that our Open Restaurants Program,
4 ah, done in partnership with the council and with
5 the, and with industry partners, ah, has been one of
6 our most far-reaching and successful initiatives. To
7 date the program bolsters over 10,700 participating
8 restaurants. Following this success, four weeks ago
9 Mayor Bill de Blasio announced the Open Storefronts
10 Program, which aims to help small retail businesses
11 rebound during these challenging economic times.
12 This initiative could impact 40,000 establishments
13 and 450,000 employees. And while 70,000 of retail
14 sales occur during the holiday season, the Open
15 Storefronts Program gives customers additional
16 options to shop in person while socially distancing.
17 I was happy to launch our outreach efforts in the
18 Bronx on the very first day of the Open Storefronts
19 Program. The team and I were on the ground on
20 Southern Boulevard, connecting directly with business
21 owners. This included our mobile outreach unit,
22 which has provided guidance and resources on site in
23 some of the hardest hit communities of our city. SBS
24 ensure that businesses that are participating in the
25 Open Storefronts and Open Restaurants Programs
understand how to comply with key rules and avoid

3 potential fines through our virtual compliance
4 consultations. Since the onset of the pandemic we
5 have held over 236 virtual consultations at no cost
6 to businesses. These free virtual one-on-one
7 consultations aim to clarify existing regulations and
8 help businesses understand common compliance
9 challenges. Through our reopening resources, we have
10 reached over 48,000 attendees. We've hosted over
11 223, sorry, 233 webinars, with a focus on equity of
12 opportunity for all. 84,000, 84% of, ah,
13 entrepreneurs attended our webinars in a language
14 other than English. We have also published plain
15 language industry guides, available in multiple
16 languages and are made available on our website. The
17 SBS hotline directly engages and answers small
18 business owners' questions. To date, we have
19 received over 47,300 calls for reopening guidance,
20 outdoor dining winter assistance, financing
21 assistance, legal services, compliance support, and
22 more. One of the most common challenges we hear when
23 we are in the communities are issues around
24 commercial rent. Our commercial lease assistance
25 program offers free legal services to commercial
tenants citywide. Since the onset of the pandemic we

3 have assisted funding, we have increased funding for
4 this program. The CLA program has assisted several
5 hundred businesses, primarily for marginalized
6 communities, with their lease-related matters. We
7 also partnered with the City Bar Justice Center via
8 their neighborhood entrepreneurship law project to
9 connect business owners to free legal assistance and
10 support with navigating insurance-related claims,
11 contracts, and access to federal relief programs.
12 Last week I joined the mayor, ah, in announcing a 37
13 million investment in support of small businesses
14 across New York City's low- to moderate-income
15 neighborhoods. The New York City LLMI storefront
16 loan, interest rate reduction grant, and the
17 strategic impact COVID-19 commercial district support
18 [inaudible] will provide critical resources to small
19 businesses to help them build back and grow beyond
20 the pandemic. We know that black, Latinx, and Asian
21 businesses are struggling with access to capital.
22 These communities have been historically prevented
23 from access, accessing the resources they need and
24 face a higher risk of closing. The launch of these
25 programs is targeted in a targeted approach to
provide relief, ah, efforts in the communities that

3 need it the most. In addition, we also launched a
4 small business [inaudible], the Shop Your City
5 campaign, a call for all New Yorkers to spend their
6 dollars locally. Members of my team and I held a
7 five-borough tour to encourage New Yorkers to shop
8 locally because we know that for every dollar spent
9 at small businesses 67% of that dollar stays in the
10 local community. SBS is committed to doing
11 everything we can to support our small business
12 owners and get them the resources they need. We look
13 forward to our continued collaboration with the
14 council on this effort. Thank you for providing me
15 the opportunity to update you on SBS programs and
16 services to assist small businesses. I am happy to
17 take your questions.

18 COMMITTEE COUNSEL: Thank you,
19 Commissioner Doris. I'll now turn it over to
20 questions from Chair Cohen, followed by Chair Gjonaj.
21 Panelists, please stay unmuted if possible during
22 this question and answer period. As a reminder, if
23 council members are other than chairs would like to
24 ask a question of the administration please use the
25 Zoom raise hand function and I'll call on you in
order. Again, we'll be limiting council member

2 questions to five minutes. Thank you. Chair Cohen,
3 you can begin.

4 CHAIRPERSON GJONAJ: Ah, Chair Gjonaj, do
5 you want to start or should I?

6 CHAIRPERSON GJONAJ: I'll let you start,
7 Chair.

8 CHAIRPERSON COHEN: No problem. Ah,
9 commissioner, thank you very much for your testimony.
10 Ah, could you just go over again some of the sort of
11 facts and figures about, ah, the number of
12 participants, applicants, ah, if have been applicants
13 who have been turned down, why, just sort of the nuts
14 and bolts again?

15 COMMISSIONER DORIS: Thank you, ah, Mr.
16 Chair. So, ah, the program currently, ah, has, ah,
17 563 stores that are participating. Ah, any store
18 that signs up, ah, no one is turned away from the
19 program. So, um, you just have to sign up and, and
20 sign the attestation. Um, really it's a five-minute
21 process, um, and, ah, yeah, so we don't turn anyone
22 away from the program. Um, if you want to be
23 involved or included in the program you can be.

24 CHAIRPERSON COHEN: Ah, 560, I mean, it's
25 not nothing, but it's also, relative to the number of

2 retail locations in the city sounds modest. Do you
3 think there are obstacles? Just getting the word
4 out? What do you think is going on with that?

5 COMMISSIONER DORIS: Yeah, I think, um,
6 you know, that's certainly a concern of ours. Um, as
7 we saw, ah, the program when we launched it a month
8 ago, um, there was some initial excitement around it.
9 You know, I think there are multiple, ah, issues at
10 play here. Um, one, ah, we know that some of the
11 stores, um, already are participating, ah, in the
12 program. Um, we also know that, um, ah, many of the
13 stores that sort of put their wares out front and we,
14 you just have to go around, and which we have been
15 doing, to just tell them to sign up for the program.
16 So that's just a, an information gap there. Um, and
17 then, ah, also, you know, ah, the reality, the harsh
18 reality is that the, ah, pandemic, um, we've heard
19 from, ah, some of our BID partners, we've heard from,
20 ah, businesses as well that some, ah, the pandemic as
21 well has, ah, caused somewhat of a slowdown, the
22 uptick in, ah, um, ah, in the COVID, ah, ah,
23 transmission. And, um, in hot zones, etcetera. And
24 so, you know, there's a combination of things going
25 on, I believe, ah, but we've done extensive outreach.

2 Ah, we have, ah, literally, as I mentioned, been on
3 the blocks of, ah, these, where these businesses are.
4 We've talked with them. We've conducted webinars.
5 We did trade-ins. Ah, we've sent out materials.
6 We've worked with our partners, um, particularly our
7 BID network of 76 BIDs, 100,000 businesses
8 represented there. Ah, and we'll continue to do
9 that. Ah, but certainly, ah, we want to get that
10 number. As, as we know, this is an important time,
11 ah, for small businesses.

12 CHAIRPERSON COHEN: When you rolled this
13 out, Commissioner, what was your goal? What were
14 you, how many, what kind of numbers were you, were
15 you hoping for?

16 COMMISSIONER DORIS: Yeah, look, I mean,
17 I think, um, we, we had out there that, and I said in
18 my testimony, ah, Mr. Chair, that, you know, 40,000
19 retail businesses across the city are eligible. Um,
20 and so we are hopeful that, ah, those who are
21 eligible will participate, but that's the number and
22 when we made the program that we made available, ah,
23 for those businesses.

24 CHAIRPERSON COHEN: Ah, can you, ah, there
25 seemed to be a greater sense of immediacy around

2 restaurants. What was, why don't we, ah, try to put
3 this on a parallel timeline as, as the restaurant
4 industry?

5 COMMISSIONER DORIS: Ah, yeah, you know,
6 I think, ah, in this aspect, um, when we began to,
7 ah, look at this and speak to, ah, more of our BID
8 partners and we could, we do know that this is the
9 time our small businesses, um, needed, particularly
10 our storefront businesses, because this is the time
11 that they actually get 70% of their sales. So we
12 want to make sure, ah, that we highlighted this time,
13 give them an opportunity to do it during the holiday
14 season. The last several months of the year is when
15 they make the majority of their sales. Um, and so,
16 ah, we went ahead and did that and, um, you know,
17 we've got some, ah, additional work to do to make
18 sure more businesses sign up. Ah, but I, I must say,
19 again, the challenge continues to be the uptick in,
20 in the virus, um, where we're seeing it, we're
21 hearing from folks that they're concerned, um, about
22 that and, ah, add an additional, ah, investment, um,
23 based on that.

24 CHAIRPERSON COHEN: Ah, was, was there a
25 discussion about using, ah, ah, the, the roadway, the

2 parking spaces in front of the retail, ah, the same
3 way restaurants do, within the administration?

4 COMMISSIONER DORIS: Yeah, you know, we,
5 as we went through the process, um, you know, all
6 things, as you can imagine with, ah, with trying to
7 figure out a way to save our small businesses, bring
8 our city back. Ah, we've looked at all options. Um,
9 but we have, ah, you know, came to the point where,
10 ah, you know, restaurants, um, were participating
11 with the, um, open, ah, streets component of the
12 program. Um, we knew that, ah, storefronts can
13 utilize, ah, the space in front of, safely utilize
14 the space in front of their, their storefront and,
15 ah, found that it was the best option, ah, for our,
16 ah, small businesses in particular not having, ah,
17 conflict with, with restaurants and, and storefronts,
18 etcetera, over that, ah, over that space. So found
19 it to be best to do it in, ah, the way that we're
20 doing it right now, which have, ah, the small
21 business storefront utilize the, ah, the, the
22 immediate frontage that they have in front of their
23 store, storefront.

24 CHAIRPERSON COHEN: Are you concerned
25 that it's a little bit of, though, ah, sort of a one-

3 size-fits-all solution? I mean, there could be more
4 creative, you know, you know what, I think this model
5 sort of envisions, you know, taking a couple of racks
6 and putting them out in front of the store. There
7 might be more creative ways to use the space if
8 retailers had a little more flexibility, you know,
9 and I think that goes to the, the outdoor heating
10 question and sort of just giving them a little more
11 flexibility.

12 COMMISSIONER DORIS: Yeah, certainly, um,
13 we, ah, in, in our, um, conversations with small
14 businesses, you know, I think the fact that they can
15 easily go outside, ah, in five minutes sign up for a
16 program, ah, and utilize the space in front which, as
17 you know, is unprecedented in process-wise as it
18 pertains to how the city does its work, and within
19 five minutes of [inaudible] put their wares out
20 front. Um, some of them have gotten, you know, a bit
21 creative in how they do that, um, and, ah, to sort of
22 capture the eye of the customer. Um, but, yeah, you
23 know, that's, that's where we, we landed and, you
24 know, it's, um, so far, um, we haven't, ah,
25 creativity was, or ease of, ah, program is, is not a

2 concern we've heard about, um, from the community at
3 large.

4 CHAIRPERSON COHEN: Ah, for restaurants,
5 when they were initially rolled out, um, I received a
6 flurry of, ah, complaints, frankly, from restaurant
7 owners, ah, over, um, multiple agencies exercising
8 jurisdiction so that they'd get an inspection from,
9 ah, the Fire Department, there'd be one problem. DOT
10 would come, you know, there'd be a completely
11 different problem, and it was, um, having these
12 uncoordinated multiple layers of, you know,
13 compliance authority was, was really frustrating.
14 And I think that the city has really tightened that
15 up to that where, that problem seems to have gone
16 away. Ah, has there been any kind of similar
17 experience, ah, in terms of retailers?

18 COMMISSIONER DORIS: Um, no, ah, we have
19 not heard, ah, of that as an issue. Um, as you can
20 imagine, um, you know, our, our role at SBS is
21 really, ah, to help with that coordination and, and,
22 and on behalf of small business be their advocate to
23 the administration as well. Um, and we've worked
24 with our partners, ah, our colleagues here and, and
25 others around the city, ah, to make sure that, um,

2 you know, there's constant communication, ah, and
3 that doesn't become a challenge. And we've not heard
4 or seen, ah, any such challenge, ah, in this
5 particular program in the last few weeks that since
6 we've had it open.

7 CHAIRPERSON COHEN: OK. Ah, I'm gonna
8 take a pause and turn it over to Chair Gjonaj and
9 then we'll let the committee members and then if I
10 have anything else I'll come back. Thank you,
11 Commissioner, I really appreciate your testimony.

12 COMMISSIONER DORIS: Thank you, Mr.
13 Chair.

14 CHAIRPERSON GJONAJ: Thank you, Chair
15 Cohen. Ah, Commissioner, good to see you again.

16 COMMISSIONER DORIS: Thank you, sir.

17 CHAIRPERSON GJONAJ: Thank you for all
18 your hard work and commitment. Ah, obviously I, I'm
19 grateful for the ease of application. Do you have
20 any data on how many storefronts did not qualify
21 because they had a fire hydrant in front of their
22 local, they didn't have the depth of the sidewalk, or
23 they were located in front of a bus stop? Do you
24 have any data on how many small businesses would not
25 qualify for the Open Streets Program?

2 COMMISSIONER DORIS: Um, I do not have
3 direct, ah, numbers there. I'm not sure if our DOT,
4 ah, colleagues do. I mean, we have, again, we, the
5 way we envision the program, laid it out is, is to do
6 it in a safe way, in a way that, ah, we can have
7 enough, ah, foot traffic, the eight-foot clearance,
8 and, ah, not any obstructions, ah, that are there in
9 order to prevent, again, the flow of traffic safely,
10 ah, while having wares out front, um, and, and
11 commerce to be conducted. Um, where 40,000
12 potential, ah, businesses [inaudible] participate.
13 Ah, Emily or, or anyone else want to add on, on the
14 DOT front? No? OK, sorry.

15 DIRECTOR WEIDENHOF: Yeah, no, it's OK.
16 We, ah, we don't have, we don't have that data.

17 CHAIRPERSON GJONAJ: Um, the Open Streets
18 Program is slated to end at the end of the money.
19 The impact of the pandemic obviously is going to be
20 felt long after the [inaudible]. And with the feel
21 of a second wave coming we're not even sure that
22 those that have participated may be able to continue
23 their operations. Is this program going to be
24 extended past December 31?

2 COMMISSIONER DORIS: Ah, Chair Gjonaj,
3 thank you so much, ah, for that question. Ah, as you
4 know, the program started October, ah, 30 and, ah,
5 initially started as a pilot program, ah, when it was
6 announced with the mayor, ah, up to December, ah, 31,
7 the prime time for, ah, retail, 70% of their sales.
8 Ah, we're, we're looking at everything at the moment.
9 Um, I don't have an announcement to make today
10 concerning extending, but certainly, ah, it's
11 something that we are looking at and reviewing, based
12 upon all that you have just mentioned, um, certainly,
13 um, you know, we have some consistency in our
14 programs and so, ah, we don't have something to
15 announce today as it pertains to extending the
16 program, but it's something that I'm definitely, ah,
17 open to and, ah, we are reviewing.

18 CHAIRPERSON GJONAJ: Thank you,
19 Commissioner. The idea behind the question, obvious,
20 is so that these small businesses can prepare.

21 COMMISSIONER DORIS: Prepare, yeah.

22 CHAIRPERSON GJONAJ: You know, we lead
23 them on. They've got a month, they've got four more
24 weeks, hopefully, ah, til the end of the year.
25 They're second-guessing whether or not they should

3 make any investment and the creativity of how to
4 market their products, ah, enclosures and so on and
5 so forth. Um, I would encourage that if we plan on
6 extending this program that we inform them sooner
7 than later. There's no reason to wait for the last
8 moment. Let them, give them the fighting chance so
9 that they can get creative and make the investments
10 that they need to hopefully recovery from this
11 crisis. You mentioned the 37 million dollar program,
12 of which 35 million of is, is a loan that has to be
13 paid back. Am I correct?

14 COMMISSIONER DORIS: Correct.

15 CHAIRPERSON GJONAJ: [inaudible] requires
16 that business owners to offer a personal guarantee
17 for these loans. Isn't that odd, since the city just
18 passed a law banning landlords from enforcing these
19 type of clauses? Why did we ask for personal
20 guarantees for loans when we just passed laws that
21 prevent, ah, landlords from doing the same?

22 COMMISSIONER DORIS: Well, thank you,
23 Chair Gjonaj. Look, the, the, ah, you know, we're
24 partnered with a, with a lender who, um, the majority
25 of those dollars are from that partner. Um, and
those are sort of regular, ah, loan, ah, procedures,

2 ah, that occur when we, ah, have small business
3 loans. Um, we certainly hear that is a concern. Um,
4 we are, ah, we don't believe that that would be an
5 issue based upon our research with the businesses
6 that are potentially, um, able to utilize this
7 program. Ah, and, ah, we will monitor it to see if
8 it is an issue, but, um, we don't, we don't think it
9 will be an issue. Um, and, ah, we don't think it's
10 something that's prohibited from businesses to, ah,
11 engage, um, in it, because it's generally how, ah,
12 business loans are operating, um, now, and so those
13 businesses go out and get a business loan. Um, I
14 went and got a business loan. Others, you know, it's
15 the same, similar, ah, ah, similar, um, requirements
16 that, that they are asked to, ah, to fulfill.

17 CHAIRPERSON GJONAJ: Yeah, but,
18 Commissioner, [inaudible] open an honest dialogue.
19 You'll never know how many businesses won't apply for
20 this lone because they'll read that clause that says
21 you will personally guarantee. We're coming after
22 your home and every other asset if you don't repay.
23 That was the reason we passed our legislation that
24 protects these small businesses. I understand
25 clearly that this is a practice when borrowing money

3 through traditional banking. Why isn't the city
4 guaranteeing these loans on behalf of the small
5 businesses, since you feel that you don't see it
6 being a problem that they're going to repay and that
7 the personal guarantee is going to come into
8 question.

9 COMMISSIONER DORIS: Yeah, the city, you
10 know, the city is, is a member to this, ah, and so we
11 have a loan loss reserve. If anything is to happen
12 the city first, ah, ah, will, will pay out, ah, to
13 the borrower, and so that, that provision is there.
14 And that's the really only reason we're, um, we were,
15 the way we were able to, ah, raise this capital to
16 help, ah, these small businesses, who, by the way,
17 ah, in these communities, um, you know, from
18 previous, ah, programs, and this is why we it such a
19 targeted way and, ah, certainly from your advice as
20 well and, and input along, ah, these months about how
21 we should go about doing this in a targeted way, um,
22 you know, that's what we've done and, um, you know,
23 we make sure that there's a backstop where the city
24 is and so we, we're the first loss. We go, then you
25 go to the city first, um, to, to help handle that,
ah, those challenges, ah, if it is to come up. So

3 the city investment here is to make sure, ah, that
4 it's in, it's interest-free, ah, and that it is, ah,
5 and if any challenges, there's any loss, we do have a
6 low loss reserve to help, ah, facilitate that process
7 for our small businesses.

8 CHAIRPERSON GJONAJ: Thank you,
9 Commissioner. When you say targeted it sounds more
10 like discouraged to me, because there's so many more
11 restrictions. Not only the personal guarantee, but
12 business owners cannot have any personal business tax
13 liens or legal judgments from the last three years.
14 These are meant for ways to discourage, um, applying
15 for loans, as well as a personal guarantee on top of
16 that. Any answer?

17 COMMISSIONER DORIS: No, other, other
18 than, um, I hear the concern. I, I think we'll, we
19 will continue to monitor this. You know, look, it's,
20 um, the city is in the mix. We are there. Um, we
21 are making sure that this is accessible to folks, um,
22 we, that we, you know, spoke to businesses and our
23 lending community. Um, this was a product that we
24 feel that will be successful. Um, and we've heard
25 already from business to business community the, the
interest, ah, and we believe that we will get to the

2 businesses we desire to get to with this, ah, um,
3 very targeted fund. And the reason I say targeted is
4 because, ah, these LMI communities did, did not get
5 the support from either the federal program, the
6 federal programs in particular, um, it did not, by
7 the count of the Federal Reserve and others, their
8 own admission, ah, that these programs did not get to
9 LMI communities in an effective way, particularly
10 Asian and black and brown communities, um, and also,
11 ah, ah, Latinx community. So, you know, this is what
12 we, we put together something, ah, to help fill a gap
13 that is there, um, and the businesses, ah, that we
14 understand that they're there, there's enough
15 pipeline to actually engage and are able to meet the
16 requirements, ah, of the loan.

17 CHAIRPERSON GJONAJ: So, Commissioner,
18 based on those comments you just made, and to fill
19 that gap, you truly believe 35 million dollars is
20 enough for all the small businesses that did not
21 qualify and that are struggling in New York City?

22 COMMISSIONER DORIS: Absolutely not. Ah,
23 you know, there's no way, ah, you know, we've got a
24 massive challenge here. Um, you know, the PPP
25 program pumped 25 billion dollars into New York City.

3 Ah, and it's still, as you can see, why we're having
4 this hearing, is still not enough. We need more. We
5 need a federal stimulus. And we've said this over
6 and over again, looking at the city's, ah, financial
7 resources, where we are as a city, and also
8 understanding the challenge of the state even and
9 where they are fiscally and, ah, knowing that the
10 only entity in, is, is, in, in the, ah, in government
11 right now that can do anything that is substantial is
12 through the federal government. Ah, right now the
13 HEROES Act has 370 billion dollars, 370 billion for
14 small businesses. 125 billion of those dollars are
15 for the Restaurant Act, all sitting on, in the
16 Senate. Ah, you know, and, and so we are, you know,
17 we are suffering. Small businesses are suffering,
18 ah, cities, municipalities, states are suffering, um,
19 because of the inaction of the federal government.
20 That's we know the resources are. And so I agree
21 with you that we, ah, we need additional. Also,
22 there's 125 or so billion dollars sitting in the PPP
23 program that is un-utilized and, ah, by, ah, from the
24 federal government and they will not release those
25 dollars. Ah, the muni, we called muni facility to
help, help out local government un-utilized and

3 looking to be shut down from the federal government.

4 All these are resources that are, ah, made

5 unavailable, ah, to us to actually engage in helping

6 small businesses, and so we're hoping, ah, that

7 there's, ah, the change in administration helps to

8 changing the policy front, Mr. Chair, but you are

9 absolutely right. 35 million is, ah, it's a shot in

10 the arm. It's what we have and what we can, ah, pull

11 together with our fiscal, ah, challenges at the

12 moment. And, ah, really help as many as we possibly

13 can. Ah, ah, and that's what we're, you know, we'll

14 continue to do.

15 CHAIRPERSON GJONAJ: Commissioner,

16 there's no argument that that much-need relief and

17 those resources are what we need so desperately from

18 the federal government [inaudible]. But in the

19 meantime we could do more. We can do more. And,

20 again, some of these things are not in your control.

21 But this administration, for example, just proposed

22 that, um, we begin a school bus program and have

23 found 900 million dollars to be able to start its own

24 school bus program. And yet all in we couldn't scrap

25 up more than 49 million dollars from the city in the

first round and now through a partnership through a

3 loan program of 35 million dollars for over 200,000
4 businesses. I want to remind you, Commissioner. I
5 know that you're well aware of this fact. Every
6 dollar that we invest into small business has a
7 return. Every small business that reopens and does
8 not close will contribute to our tax base. This is
9 the wisest investment that we can make to assure this
10 city continues to thrive, that it has jobs, openings,
11 that it has a tax base. When those small businesses
12 are gone it's gonna cost us a lot more later. So I
13 continue to encourage you to come up with creative
14 ways, and the money that we've thrown into this so
15 far is laughable. It's a joke. We haven't done our
16 part. And we often refer to the city as the partner
17 of small business. They're not their partners.
18 They're treated as stepchildren. We've, we've abused
19 small businesses as the piggybanks and the well that
20 we constantly love to, to drill water from. And in a
21 time of need we weren't there for them. And it's,
22 the facts are in the dollar amount. And I know,
23 Commissioner, that had, you had it your way, that we
24 had a magic wand, we would be giving billions of
25 dollars out in grants. But the two programs that you
just referred to, the first one at 49 million and now

3 a 35 million, ah, loan program, which has more
4 restrictions than I care to imagine, I can go to a
5 regular bank and I can get the same type of a loan.
6 I don't even have to go through the city. So this is
7 more smoke and mirrors than anything else. Personal
8 loan, personal guarantee, no personal or business tax
9 liens, no legal judgments. To, to replace the word
10 targeted, I would use the word discouraged. Thank
11 you, Commissioner. I'll pass it back to you, ah,
12 Chair Cohen.

13 CHAIRPERSON COHEN: Thank you, Chair
14 Gjonaj. Ah, I'm gonna ask the committee counsel to
15 call on members who have questions, please.

16 COMMITTEE COUNSEL: Thank you, Chair.
17 I'll now call on council members in the order that
18 they've used the Zoom hand raise function. You can
19 begin once I've called on you, and the sergeant has
20 announced that you may begin before you're asking
21 your question. First we have Council Member Koo,
22 followed by Council Member Koslowitz. Oh, I believe
23 Council Member Koo just lowered his hand [inaudible].

24 COUNCIL MEMBER KOO: Ah, yeah, yes.

25 COMMITTEE COUNSEL: Oh, yes, OK. Thank
you.

2 COUNCIL MEMBER KOO: I just pushed my,
3 ah, middle button.

4 COMMITTEE COUNSEL: Sure. So give the
5 sergeant a minute to start the clock and you can
6 begin your question.

7 SERGEANT AT ARMS: Your time will begin
8 now.

9 COUNCIL MEMBER KOO: Hello?

10 CHAIRPERSON COHEN: Go ahead, Peter.

11 COUNCIL MEMBER KOO: OK. Ah, thank you,
12 Chairs, and thank you, Commissioner, ah, for coming
13 in to, ah, to inform us about this open street, um,
14 shopping, or whatever. Ah, I, I feel personally, ah,
15 you guys have good intentions and the administration
16 to help small businesses. But you don't understand
17 the real situation on the streets. I mean, in the
18 wintertime when you put stuff outside you have to
19 hire somebody to watch it, and then, but, but
20 whatever you get from the sales, sometimes it's not
21 enough to pay the salary or the wages for their
22 employee. And very few people want to stand outside
23 during the cold weather. That's why very few
24 businesses signed up for this program. I mean,
25 besides, the, in the downtown Flushing area, the

3 whole street is full of vendors. It's open street,
4 open street, free market, every day in Flushing. And
5 there's no enforcement, no nothing. So how could
6 businesses open, or put their stuff outside, ah, to
7 compete with these, ah, ah, unlicensed vendors on the
8 streets? When you buy stuff from a store you go in
9 to pay for it, to get a receipt, right? So, but when
10 you buy stuff from the streets, from the nice vendor,
11 you just buy it and leave. So you create an uneven
12 playing field for, ah, for small business owners.

13 Ah, if you don't assign somebody to watch the stuff,
14 a lot of the stuff will be gone because [inaudible]
15 there's no enforcements. And whoever took the stuff
16 away, even though they are caught by police later,
17 they didn't go to jail. I mean, they come, they
18 stayed, so there's no incentive for business, for
19 people to obey the law now. It's open street, wild
20 wild west. So that's why this, I don't think this
21 program will be successful, ah, unless you change it,
22 ah, dramatically. Unless you say no or, ah, there's
23 a tax moratorium, ah, until Christmas, so anything
24 you buy from the streets, ah, from the stores,
25 there's no tax. Because when you buy stuff from
unlicensed...

2 CHAIRPERSON COHEN: Hold on for a second,
3 I've got to turn the camera on.

4 COUNCIL MEMBER KOO: ...ah, vendors,
5 there's no tax anyway, right? So, Commissioner, have
6 you considered, or has the administration considered
7 a tax-free holiday, ah, for small business owners,
8 ah, when people, they buy stuff, ah, from the
9 streets?

10 COMMISSIONER DORIS: Ah, Council Member,
11 thank you for, um, for that question. I don't have
12 any info about the tax moratorium proposal, um, but I
13 do hear you on the challenges of, um, ah, our brick-
14 and-mortar and our vendor community. You know, I, I
15 was out. I started my, um, my, um, ah, five-borough
16 tour in Flushing. Um, and, you know, did see exactly
17 some of the challenges that you, you're mentioning
18 and some of the, ah, ah, vending issues and spoke
19 with the business owners about it and, ah, ah, spoke
20 to, ah, also a licensed, ah, veteran who came us to
21 talk about, ah, the challenges that he's having in
22 finding space to, to actually do, ah, he's licensed
23 to do. I mean, this is a challenge, and so, um,
24 we're not ignoring that. Ah, we did, ah, talk to our
25 agency partners and hopefully we can continue to

2 work, ah, with the community there, ah, but this is a
3 challenge and so I, I do hear you. I saw it. We are
4 on the ground, um, in Flushing several times, in
5 particular, um, and we launched again this past
6 Saturday. We started everything there, ah, 10 in the
7 morning, ah, speaking to those businesses and, ah,
8 seeing the, first of all, the number of, ah, folks
9 who are out that early, ah, shopping, ah, was, was
10 heartwarming, but again the challenge, ah, and the
11 balance, as you mentioned, between the vending
12 community, brick-and-mortar community, and, ah,
13 making sure that, ah, everyone understands the rules
14 and parameters, ah, is, is important.

15 COUNCIL MEMBER KOO: So how you solve the
16 challenge? I mean, just you say there's a challenge.

17 COMMISSIONER DORIS: Yeah.

18 COUNCIL MEMBER KOO: The administration
19 always said there's a challenge, and [inaudible] it's
20 been four months now, five months now since you came
21 to Flushing. And I, I invite you to come again.
22 This whole street is full of vendors. And how...

23 COMMISSIONER DORIS: Yeah, no...

24 COUNCIL MEMBER KOO: ...the businesses
25 only survive. I mean, they're selling everything the

3 sun. Usually they just, they sell like, like cheap
4 stuff, they sell clothes, they sell crabs, they sell
5 fish, they sell pots and pans, everything under the
6 sun on the streets, and they are so crowded, there's
7 no social distances on the streets. There's shoulder
8 to shoulder, and where is the administration? Where
9 is enforcement? Why do taxpayers, why do public tax,
10 ah, I mean, the business owners pay tax and there's
11 no protection, no enforcement? I mean, the
12 administration is not doing a good job at all. It's
13 a lousy job right now. I mean, and this you can say,
14 hey, blah, blah, blah, a month from we're doing
15 something. But yet you...

16 SERGEANT AT ARMS: Time has expired.

17 COUNCIL MEMBER KOO: ...[inaudible] four
18 or five months on the streets there's no enforcement.
19 You just nod your head, that's it, yeah, no, no.

20 COMMISSIONER DORIS: No, I'm
21 acknowledging the concern, ah, Council Member, and I
22 am acknowledging that, um, you know, we're not in,
23 SBS is not an enforcement agency. We do coordinate,
24 ah, with the, ah, enforcement agencies around the
25 concerns, and we do convey it. I mean, so, um, and,
you know, we certainly, ah, would love to, to work

3 with you again, um, and continue to do so to help
4 address this issue, um, in Flushing in particular.
5 Again, I've, you know, Saturday I was there and saw
6 it for myself, on the ground. Ah, and, and, I, I
7 heard from the community. We've heard, um, and, ah,
8 we've spoken to our colleagues and, um, we're happy
9 to work with you on, on how we can address this going
10 forward.

11 COUNCIL MEMBER KOO: [inaudible] on, on
12 other issues, how long you will extend this, ah, open
13 street shopping? Until the end of the month?

14 COMMISSIONER DORIS: Yeah, the program
15 is, is, ah, concludes at, ah, currently concludes at
16 the end of December. Um, again, we wanted to capture
17 the, the biggest shopping time of the year, which 70%
18 of sales occur. They have an option, it's an option
19 for businesses. Ah, some may choose, some may not,
20 but is an option, at least they have an option and,
21 um, we wanted to give them that option to
22 participate, um, up to the end of the year.

23 CHAIRPERSON COHEN: Council Member Koo.

24 COUNCIL MEMBER KOO: [inaudible].
25

1 COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS 44
LICENSING JOINTLY WITH SMALL BUSINESS

2 CHAIRPERSON COHEN: Council Member Koo,
3 I'll give you a second round. I just want to let
4 other members to weigh in.

5 COUNCIL MEMBER KOO: Yeah, yeah.

6 CHAIRPERSON COHEN: Please.

7 COUNCIL MEMBER KOO: OK, thank you.

8 CHAIRPERSON COHEN: Thank you.

9 COMMITTEE COUNSEL: Thank you, Council
10 Member Koo. Now we have Council Member Koslowitz.

11 SERGEANT AT ARMS: Your time will begin
12 now.

13 COUNCIL MEMBER KOSLOWITZ: Thank you.
14 Um, how do you notify all these businesses about,
15 let's say, ah, out, who are bringing your goods
16 outside selling them? How do you notify all the
17 businesses?

18 COMMISSIONER DORIS: Thank you, Council
19 Member. Thank you, Council Member. We have, so we
20 have a vast network of, ah, ah, businesses in our
21 database, over 200,000. Ah, we do have our BID
22 associations, which also represent about 100,000
23 businesses, 76 BIDs. We also work with our chambers
24 of commerce in each borough, ah, who themselves have,
25 ah, tens of thousands of businesses that they work

3 with. And we have channels and ways we communicate
4 with the businesses, even if it's on social media or
5 in the media, ah, or, ah, through direct, ah, contact
6 with businesses themselves, either through, ah, our
7 hotline when they call in or through our, um, emails,
8 or different contact lists. Um, ah, but certainly
9 working, ah, specifically with our partners, um,
10 which mean, ah, which most of the businesses in the
11 city, if not all of them, with this information.

12 COUNCIL MEMBER KOSLOWITZ: Um, because I,
13 I represent Forest Hills and Rego Park and Kew
14 Gardens, and I have, ah, Continental Avenue and
15 Austin Street in my district. Austin Street used to
16 be considered the Fifth Avenue of Queens. Not
17 anymore. And the other day as I walking down the
18 street I saw one store that had their merchandise
19 outside. Other than that, the stores that are still
20 open in business did not, did not, and I wonder, we
21 don't have a BID here. I've been working trying to
22 get a BID for, for years. And I just want to know,
23 do these people know that they're allowed to put
24 their, you know, merchandise on the street?

25 COMMISSIONER DORIS: That's a great
question and, um, you know, um, Austin, um, is one of

3 my favorite places to go shopping. Ah, as you know,
4 I lived in North Richmond Hill for a long time, I was
5 of your constituents. And I think, um, part of, part
6 of, ah, going back there just recently again, um, and
7 seeing, ah, that we don't have a lot of our stores,
8 ah, participating in the program there, um, and the
9 traffic...

10 COUNCIL MEMBER KOSLOWITZ: It's only one.
11 There is only store.

12 COMMISSIONER DORIS: Yeah, yeah, yep.
13 And, um, yeah, you know, part of, you know, we work
14 with the local, um, merchants' associations as well,
15 ah, to get the word out. So we believe that
16 businesses know. Ah, but we will also do a blitz
17 there, um, as well. We'll get our teams to go and,
18 and do a blitz again, ah, in that particular
19 community to make sure that folks, ah, know, but we
20 have worked with the merchants' association as well,
21 ah, there. Um, when it was, ah, you know, on 70th,
22 71st there, with the, our, our restaurant row, um, we
23 did, ah, we did, ah, the press conference there where
24 we announced the open, ah, the open, ah, restaurants,
25 open streets program, which we did shut that down,
right? Um, and it was, it was, ah, very...

2 COUNCIL MEMBER KOSLOWITZ: And that was
3 fine.

4 COMMISSIONER DORIS: Yeah, yeah. And so,
5 you know, we'll, we'll, you know, we brought the
6 attention there. We'll do it again, um, as well, ah,
7 with this particular program and, and, I, while I've
8 been there, um, I think a couple weeks ago, I wasn't
9 able to, again, check on all the stores, and so, you
10 know, happy to do that, ah, for, for you,
11 Councilwoman.

12 COUNCIL MEMBER KOSLOWITZ: I would
13 appreciate it. And I also, excuse me, have the same
14 problem as Peter Koo has about all these vendors out
15 on the street, streets that they're not supposed to
16 be vending, for instance Austin Street. You're not
17 allowed to have vendors there, and they're on every
18 single corner and nothing is done.

19 COMMISSIONER DORIS: Yeah. Um, you know,
20 what we've done, um, as, ah, an agency, again, not an
21 enforcement agency, but we work with the enforcement
22 agency to tell them where there are hot spots and,
23 um, we've reached out and, and our team, ah, we do
24 work with them. We have interagency coordination
25 meetings about how we go about addressing those and

2 so we'll follow up, ah, with them as well in, in, in
3 the Austin, ah, Street area as well, as well as, ah,
4 Council Member, ah, Koo's area in Flushing, um, and,
5 and get back to both of you, ah, on, on an action
6 plan.

7 COUNCIL MEMBER KOSLOWITZ: OK. Thank you
8 very much.

9 COMMISSIONER DORIS: Thank you.

10 CHAIRPERSON GJONAJ: And Chair, if I can
11 jump in for a moment, and also add to that list
12 sections of my district, and I, offline I will send
13 you those areas where we have, ah, illegal street
14 vending that is in direct competition with brick-and-
15 mortar, and where there is no sidewalk space. There
16 is no five-foot space there. We have each day at a
17 major transit hub, struggling wheelchairs that aren't
18 able to get by, from a slew of open barbecues to
19 anything else imaginable is being sold, um,
20 [inaudible] concern. Thank you.

21 COMMISSIONER DORIS: Thank you,
22 Councilman.

23 COMMITTEE COUNSEL: Chair Cohen, do you
24 have...

3 CHAIRPERSON COHEN: OK. I didn't know if
4 there was anyone else. Are there any other members
5 with questions?

6 COMMITTEE COUNSEL: Let me turn it back
7 to Council Member Koo.

8 CHAIRPERSON COHEN: Peter, do you have
9 another, if you have any more now's the time.

10 COUNCIL MEMBER KOO: I just want to say
11 that like I, I know the Commissioner for Small
12 Business, ah, has no power of enforcement. Ah, ah,
13 I think he has to convey the message to the
14 administration that enforcement is very important.
15 Otherwise, why would we pay tax, pay tax, like
16 property tax, for income tax, all these sales tax,
17 because we want government service. If there's no
18 service what about we, we cancel the tax? No,
19 they're talking about cancel rent. You know, we
20 cancel the tax for two months to let the
21 administration know about this importance. So, like
22 small business owners in Flushing they pay one of the
23 highest rent in New York City, one of the highest
24 property tax. But in terms of service, there's no
25 service at all. I have been talking about this
months ago and the mayor still hasn't done anything,

3 you know. So the message to the mayor is, you know,
4 do something. You know, just don't open your mouth
5 and talk, right? I mean, the open streets shopping
6 is, is good. But if there's no enforcement, you put
7 stuff outside, people will take it, it disappear
8 unless you assign somebody outside to watch it. So
9 that defeats the purpose of open, right? It's
10 supposed to be all [inaudible], you buy the stuff and
11 go inside to pay for it. But if nobody is doing it
12 how are they gonna survive? Business owners, that's
13 why only 500 people, 500 business owners, applied for
14 this program. It's not practical, no. That's,
15 that's all I want to say. I mean, this, this message
16 is really important. But the administration is not
17 hearing it. They, they are deaf. Thank you. Thank
18 you, Chair, for letting me the opportunity to do, to
19 rant about this, yeah.

20 CHAIRPERSON COHEN: Of course. Ah, I, I
21 want to follow up on this just a little bit, too. I
22 think this is actually a question for DOT. Um, the
23 program requires eight feet of sidewalk clearance
24 after the additional space that the retailer is
25 using, is that right?

UNIDENTIFIED: Yes.

2 DEPUTY CHIEF OF STAFF SCHIPPER: Yes,
3 that's correct.

4 UNIDENTIFIED: Yes.

5 COUNCIL MEMBER KOO: But they do
6 enforcement.

7 CHAIRPERSON COHEN: But what if, what if,
8 to Council Member Koo's point, what if there's
9 somebody street vending there? Then I can't
10 participate in the program because I, now I can't get
11 eight feet of clearance?

12 UNIDENTIFIED: I'm not sure if there's
13 someone who has an, an answer for, for the vending.
14 But if the vendor is not supposed to be there then
15 that, that would be an enforcement issue.

16 CHAIRPERSON COHEN: But there's, there's
17 a, well, first of all, the administration is
18 declining to make, to do any enforcement in this
19 area, A, and B, it could be, the spot could be legal
20 until now this program exists and now we have the,
21 the brick-and-mortar is competing with the street
22 vendor for the same space. How is that going, how
23 are those disputes going to get resolved?

24 UNIDENTIFIED: I'm not sure if there's
25 anyone from DOT is gonna, wants to jump in. I don't

3 have a, I don't have a direct answer for you right
4 now, Council Member Cohen. I can absolutely follow
5 up, apologies.

6 CHAIRPERSON COHEN: You, you don't have
7 an answer 'cause there is no, there's no policy
8 answer at the moment, and this is a real, the street
9 vendors are facing a terrible plight. It, it, the,
10 this needs to be resolved in a way that is equitable
11 and fair to the vendors and to the brick-and-mortars.
12 Um, and, and, this has lingered on and dragged on for
13 all this time with no progress. It's really, it's
14 shameful. Um, and, and, and I think that you can
15 hear the frustration in, you know, my colleagues'
16 voices about this.

17 UNIDENTIFIED: I absolutely can.

18 CHAIRPERSON COHEN: All right.

19 CHAIRPERSON GJONAJ: Chair Cohen, ah, to
20 your point, just to piggyback on Koo and Koslowitz on
21 these points. What's going to happen is we're gonna
22 have a race to who gets there first, and then we can
23 have an altercation between a brick-and-mortar and a
24 street vendor that can lead to God knows what. Um,
25 it's a real concern, Commissioner, that cannot go
unaddressed. We need the hear the plan and the

3 policy for enforcement before we have a tragedy that
4 occurs on our city streets. And it will happen.

5 It's happening now, before the Open Streets Program.

6 Now with this in place the retailers are really going

7 to have an issue, ah, with the, ah, vendors. Ah, and

8 I'm hoping that we get ahead of this before, ah, we

9 have be reactive to a tragedy. Thank you.

10 CHAIRPERSON COHEN: Ah, I really, ah,

11 appreciate the administration's testimony. Um, and

12 thank you for participating. Commissioner, I, I do

13 want to acknowledge, you know, I do appreciate the

14 hard work that you do and the challenge that you face

15 in this incredibly difficult economic environment and

16 how important it is, as well know that small business

17 really is the backbone of the city. It's said over

18 and over again, but it's very, very true. Ah, so you

19 have, ah, a daunting task in front of you to try to,

20 to try to nurture, ah, these businesses and create

21 and support an environment where they can, ah,

22 survive and hopefully return to flourishing. Thank

23 you.

24 CHAIRPERSON GJONAJ: Thank you, ah, Mr.

25 Chair.

3 COMMITTEE COUNSEL: Thank you, Chair
4 Cohen and Commissioner Doris. Um, we'll now be
5 moving to public testimony unless there are any other
6 questions from council members. Um, I don't see
7 anyone's hands, so I'll move on, um, to the next
8 portion of our hearing. I'd like to remind everyone
9 that unlike typical council hearings we'll be calling
10 individuals one by one to testify. Each panelist
11 will be given three minutes to speak. Please begin
12 once the sergeant has started the timer. Council
13 members who have questions for a particular panelist
14 should use the raise hand function in Zoom and I'll
15 call on you after the panelists have completed their
16 testimony. For panelists, once your name is called a
17 member of our staff will unmute you and the Sergeant
18 at Arms will give you the go-ahead to begin upon
19 setting the timer. Please wait for the sergeant to
20 announce that you may begin before delivering your
21 testimony. Also a reminder to please submit written
22 testimony to testimony@council.nyc.gov. I would now
23 like to invite Mark Caserta from the NYC BID
24 Association to testify, and he'll be followed by Lisa
25 Sorin and Camelia Tepelus. Mark, you may begin your
testimony after the sergeant has called time.

3 SERGEANT AT ARMS: You may begin.

4 MARK CASERTA: Good morning, members of
5 the New York City Council. My name is Mark Caserta
6 and I'm testifying on behalf of the New York City BID
7 Association. I'm also the executive director of the
8 Park Slope Fifth Avenue BID. Thank you, Chairs
9 Gjonaj and Cohen for holding this hearing today. The
10 BID Association represents the 76 individual BIDs
11 throughout the city that serve as stewards of our
12 diverse commercial corridors and neighborhood public
13 spaces. Our mission has always been to support the
14 almost 100,000 local businesses we serve to keep our
15 neighborhoods clean and safe and to bring prosperity
16 to our communities. Never has our work been more
17 vital and essential than it has been during the
18 COVID-19 pandemic. We are pleased to present
19 testimony today on the Open Storefronts Program. The
20 BID Association began calling for a plan to help
21 retailers, retail storefronts through the use of
22 their frontage in April of this year in response to
23 capacity limits and an increasing number of business
24 closures. This policy proposal was included as one
25 of our nine critical steps to save small businesses
released in July of this year. This association put

3 forward a formal proposal for an open stores program
4 and sent it to the city in September. We are very
5 glad that the administration ultimately enacted an
6 open storefronts plan on October 30, as it's an easy
7 way to provide some relief for storefronts with no
8 cost to taxpayers and little administrative burden
9 for the city. However, early reports are that many
10 storefronts are not taking advantage of the program
11 for several reasons. First of all, we expect this
12 program will take time to become widely utilized. It
13 is late in the year and many stores have budget and
14 staffing restrictions that may make them hesitant to
15 sign up and implement major operational changes.
16 Most stores have also never been granted an
17 opportunity to use outdoor space and therefore do not
18 have the same experience with such setups that
19 restaurants have. We also believe that some stores
20 are simply too busy and stressed to sign up, or are
21 concerned about being an early adopter who might be
22 the target of enforcement actions. We are hopeful
23 that more and more stores will use this initiative as
24 the holiday shopping season begins. Many retail
25 storefronts rely on the spike in revenue from holiday
shopping and we're hopeful that they will be able to

3 survive in the new year. We are grateful for the
4 mayor's partnership in this program and particularly
5 the support from SBS and Commissioner Doris, who we
6 know have been very supportive of this initiative.
7 However, we have several recommendations for how to
8 improve the program. First of all, the program
9 should be formally extended until at least capacity
10 limits are lifted from storefronts. As we've seen
11 through the Open Restaurants Program, small
12 businesses need to have confidence in programs in
13 order to make the needed investments in them.
14 Secondly, the city should conduct an education
15 program to make sure that as many storefronts as
16 possible are aware of the program. Not all small
17 businesses have the benefit of a BID to help them.
18 And lastly, we strongly encourage the city to
19 publicize program data similar to that of the open
20 restaurants portal so that BIDs and shoppers alike
21 can search for and find stores with an open
22 storefront outdoor options. Relatedly, we also hope
23 that the city will expand the open restaurants and
24 storefronts programs to allow for the use of adjacent
25 frontage where appropriately authorized. It is our
sincere hope...

2 SERGEANT AT ARMS: Your time has expired.

3 MARK CASERTA: OK. Ah, thank you.

4 CHAIRPERSON COHEN: I'm sorry, I'm
5 curious. Ah, having a close, a good working
6 relationship with, ah, with one of my BIDs in
7 particular, ah, sometimes in the past it's been a
8 challenge to get, ah, BID stores to not, ah, have
9 their merchandise all over the street. Um, is there,
10 is there a tension there at all with some BIDs? Are
11 some BIDs, ah, does this fit in better in some retail
12 corridors than others? Is there?

13 MARK CASERTA: Well, I think, yeah, it,
14 it depends on the corridor. I was listening to, ah,
15 the other, other council members about their concerns
16 about crowded sidewalks. For example, mine, we have,
17 we have one official store that signed up for open
18 storefronts. Um, there are maybe seven to 10 more
19 that have not yet done the paperwork, ah, for various
20 reasons. Um, we also have, um, open stores, open
21 streets restaurants that we close 19 blocks of our
22 avenue on Saturdays and we are finding more of the
23 stores coming out into the streets, ah, during those
24 times. But there has been no, um, there have been no
25 problems with, ah, conflicts or, ah, problems with

3 restaurants and stores conflicting with one another.
4 It's been pretty easy-going and...

5 CHAIRPERSON COHEN: But, but, pre-
6 pandemic were there issues where people were using
7 the sidewalk as retail space, you know, in an
8 unpermitted way, and was that a problem for the BID
9 before.

10 MARK CASERTA: Ah, no, it was not,
11 actually. Not in, not in Park Slope. I, I have
12 heard it in many other cases and that certainly is a
13 concern.

14 CHAIRPERSON COHEN: OK. Thank you.

15 COMMITTEE COUNSEL: Um, seeing no raised
16 hands from committee members, we'll move on to our
17 next public witness, who is Lisa Sorin. And she will
18 be followed by Camelia Tepelus, then Quenia Abreu.
19 Um, Lisa, you may begin your testimony once the
20 sergeant has called time. As well, um, Mark, if you
21 can submit your written testimony to
22 testimony@council.nyc.gov we'd be interested to hear,
23 um, the rest of your recommendations. Thank you.

24 SERGEANT AT ARMS: Your time will begin
25 now.

3 CHAIRPERSON GJONAJ: Lisa, you're muted,
4 Lisa.

5 LISA SORIN: I get time back, right?
6 Kidding. All right.

7 CHAIRPERSON COHEN: For you, of course.

8 LISA SORIN: [laughs] Good morning,
9 Chairman Cohen, Chairman Gjonaj, and council members.
10 Thank you for the opportunity to address you this
11 morning. My name is Lisa Sorin and I'm the president
12 of the Bronx Chamber of Commerce. And I'm here to
13 express my support and concerns about the Open
14 Streets Program. It is a well-intended program and
15 we are committed to assisting our small businesses
16 that are interested in participate in the program,
17 anything that can help our businesses stay open we
18 absolutely support. Our concerns - to date I
19 understand there's only 500 businesses that have
20 taken advantage of this program. We attribute this
21 to various reasons - late notice of the approval of
22 the program, the short timeline to use the program,
23 which is ending December 31, which makes it very
24 difficult for businesses to take advantage,
25 especially as it relates to weather. Yesterday's
weather is a perfect example. Added to that stress,

3 they do not have the experience with outdoor setups,
4 budget, staffing restrictions, and worried about
5 enforcement like there was against the restaurants.

6 There is also a lack of engagement with
7 philanthropic, sorry, philanthropy to build out
8 unified storefront models that we saw during the open
9 dining. The oversaturation of sidewalks, vendors,
10 especially vendors setting up in front of vacant
11 storefronts, which are adding up on a daily basis,
12 restaurants, and unfortunately vagrancy and homeless
13 individuals that stay near the businesses to ask for
14 money. As for the loan programs, which I know this
15 is not part of it, but it's important. The
16 storefront loan program is of a concern. I have
17 minority businesses that are in desperate need to
18 access this money. Unfortunately, the store falls
19 under what's called the second phase of the loan
20 distribution and is only if the money is available.
21 I have one minority business that today was served
22 with an eviction notice. But he's not eligible to
23 apply for the loan until after December 13, and,
24 again, only if there's money and no guarantee and
25 meets all the criterias. Added to this, although not
a city problem, but we need your help, we are facing

3 the bankruptcy of many businesses faster than we have
4 in the last nine months. As, as of right now the PPP
5 loans that are forgiven and given as grants are now
6 stopping business from doing their write-offs, like
7 payrolls, rent, etcetera. I have a business that
8 received a \$900,000 PPP loan that is facing a
9 \$400,000 tax bill. If our businesses continue this
10 and we assisted so many businesses in applying for
11 these PPP loans, those businesses that we helped will
12 be going out of business by the beginning of the
13 year. Thank you for the opportunity.

14 CHAIRPERSON COHEN: Lisa, can I ask, ah,
15 has, it's good to see you, by the way, and I
16 appreciate you, ah, participating.

17 LISA SORIN: Great to see you.

18 CHAIRPERSON COHEN: Um, was there
19 outreach, ah, to the Chamber from SBS regarding this
20 program?

21 LISA SORIN: Um, there was. We actually
22 had a meeting with, ah, you're talking about the open
23 retail ones?

24 CHAIRPERSON COHEN: Yes.

25 LISA SORIN: There was, and we have
attempted to assist businesses. I have two

3 specialists on the ground that are going about 30
4 hours a week encouraging businesses, but there's
5 fear, more the regulations, especially if they have
6 restaurants that have been near them that have been
7 shut down because of the regulations. They're
8 fearful of what's coming their way and they can't
9 afford any more fines or expenses that come with it.

10 CHAIRPERSON COHEN: Yeah, I will say, I
11 mean, and this is obviously anecdotal, and I think
12 that the experience, ah, regarding restaurants,
13 initially, ah, there was a lot of, ah, as, as I, you
14 know, said to the commissioner that there were real
15 issues with environment. It does seem to be
16 streamlined. I'm not getting those, those kinds of
17 complaints. I literally, I couldn't outdoor dine in
18 the beginning because I would be flooded by the, you
19 know, the restaurant owners and they would go get
20 their friends to come and tell me, you know, and, and
21 that seems to have abated, so for whatever that's
22 worth.

23 LISA SORIN: [inaudible] now, Chairman
24 Cohen, um, the problem that we're seeing now is the
25 regulations that the city has put forth for winter,
um, outdoor dining, which is an added expense to our

3 businesses with more [inaudible]. Like I said, the
4 city is doing the best they can. I think that not
5 everything is being put, um, the concerns aren't
6 being addressed as needed. Um, so I think there
7 needs to be more conversation and my hope is that we
8 have a warm winter, which would allow our businesses
9 to do more business outdoors, so the December 31 date
10 is just not gonna work.

11 CHAIRPERSON COHEN: Thank you, Lisa.

12 CHAIRPERSON GJONAJ: Chair, can I ask a
13 follow-up question?

14 CHAIRPERSON COHEN: Sure.

15 CHAIRPERSON GJONAJ: Ah, Lisa, I didn't
16 understand your point about the \$900,000 PPP loan
17 that was made where now it's a \$400,000, ah, income
18 reporting requirement? Is that what you were saying?

19 LISA SORIN: That's correct. So when the
20 PPP loan was released, and I know we're getting off
21 the subject, um, but we're gonna be taking a strong
22 stand on that, um, so when the PPP was released
23 originally it was supposed to not impact the
24 businesses once it turned into a grant. Um, you,
25 during the tax season for businesses they would be
able to do their, their write-offs as they always do,

2 payroll, rent, whatever all those write-offs
3 businesses do. As of right now, if your loan is
4 turned into a grant you are no longer allowed to do
5 all those write-offs. And because you're not allowed
6 to use those write-offs you are looking at basically
7 paying back part of your, ah, grant in a tax form.
8 So, as an example, one of my businesses that received
9 a \$900,000 PPP loan kept their employees working
10 throughout the shutdown now is facing a \$400,000, um,
11 tax bill unless it changes. So this would be city,
12 state, small business, anybody who can really just
13 step it up, because if that's the case we have helped
14 hundreds of businesses and, um, with those tax bills
15 we're basically looking a higher vacancy rate moving
16 faster than it did in the last nine months.

17 CHAIRPERSON GJONAJ: Thank you, Lisa.

18 LISA SORIN: Thank you.

19 COMMITTEE COUNSEL: Any other questions?

20 Chairs?

21 CHAIRPERSON COHEN: No, I'm good.

22 COMMITTEE COUNSEL: Thank you, Lisa.

23 We'll move on to our next witness, who is Camelia
24 Tepelus, followed by Quenia Abreu. Camelia, you may

2 begin your testimony once the sergeant has called
3 time.

4 SERGEANT AT ARMS: Your time will begin
5 now.

6 CAMELIA TEPELUS: Thank you. Good
7 morning. My name is Camelia Tepelus and I'm the
8 executive director of the Morris Park Business
9 Improvement District since April 2019. Ah, thank you
10 for all for an opportunity to address you this
11 morning. Um, BIDs and small businesses are grateful
12 for your dedicated work exploring new ways to assist
13 the city's small businesses, struggling day by day to
14 stay open, to continue providing jobs, and be of
15 service to the New York City neighborhoods. Ah, the
16 Morris Park BID serves, um, a solidly middle-class
17 neighborhood that feels like a small village, um,
18 over 300 businesses on 20 blocks on Morris Park
19 Avenue in the center of Bronx, Morris Park being also
20 the Bronx largest employment center, home to more
21 than 23,000 jobs, representing 12% of all, um, jobs.
22 Um, the Morris Park BID district fared fairly well, I
23 would say atypically for the Bronx under the impact
24 of COVID-19. We had two businesses closing, two
25 relocated to lower rent spaces, still within the

3 district, and 12 new businesses that opened over the
4 last year, seven of which opened since mid March.

5 Inspection from New York City Planning on Morris Park
6 Avenue found the corridor shockingly healthy and a

7 *Wall Street Journal* article from September 20

8 referring to independent third-party foot traffic

9 data confirmed that foot traffic in Morris Park

10 Avenue, ah, is basically back at pre-pandemic levels.

11 Um, the Open Restaurants Program was a big success on

12 Morris Park Avenue and, um, and we are pleased that

13 the city extended it year-round. We feel that the

14 Open Storefronts Program that was only made available

15 on October 30 and foreseen to run until December 31

16 can make a similar positive contribution. Ah, our

17 main message to the council is that the Open

18 Storefronts Program should be given a chance to be

19 further tested beyond December 31, ah, as, um, the

20 timeframe that is currently running is a timeframe

21 with weather conditions often adverse to outdoor

22 displays of merchandise over extended periods of

23 time. Furthermore, ah, we consider that the city

24 should, um, initial, additional businesses awareness

25 media campaigns on both open storefronts and open

restaurants, including TV and social media components

3 that would explain better the programs so that
4 thousands of New York City small businesses that are
5 not members of merchants' associations or BIDs. A
6 very important point needs to be made about
7 enforcement. Ah, currently there is an alphabet soup
8 of city agencies managing parts of this issue, yet
9 nobody can give BIDs a clear answer if any
10 enforcement can be effectively exercised concerning
11 unauthorized street vending. Um, this effectively
12 undermines my ability of our brick-and-mortar
13 storefronts. And one final point of observation, ah,
14 we would suggest the city to provide the sort of
15 visual signal, like a window decal which would not be
16 on the window but...

16 SERGEANT AT ARMS: Your time has expired.

17 CAMELIA TEPELUS: ...[inaudible].

18 CHAIRPERSON COHEN: Camelia, you can
19 finish.

20 CAMELIA TEPELUS: OK, just one sentence.

21 Um, from the consumer's point of view it can be very
22 confusing to make the distinction between a small
23 business that appropriately serves certified from the
24 Open Storefronts Program and an illegal vendor, both
25 occupying the sidewalk. And we would suggest the

3 city provides a visual form of recognition, like
4 those window decals that restaurants have, um, to
5 signal that a particular business is in fact
6 authorized to occupy and conduct business on the
7 public, um, sidewalk. Um, also, we just want to say
8 while we express support for the extension of the
9 Open Storefronts Program, we also acknowledge it is
10 only one tool within a larger, more diversified
11 toolbox of measures that the city, state, and federal
12 government need to continue deploying to assist, um,
13 our small businesses. By themselves, these programs,
14 Open Storefronts, along with Open Restaurants, are
15 only part of what should be a more coordinated and
16 comprehensive approach from the city, the state, and
17 federal government, um, to include better access to
18 grants, loans, skilled workforce, less red tape, and
19 simplified permitting, um, processes. We thank you
20 very much to the entire, um, to both committees for
21 organizing this hearing. Um, we appreciate the very
22 first, in the opening statements of both Chair Cohen
23 and Chair Gjonaj, the points of enforcement, the
24 points of weather, the points of timeframe, the
25 points of why wasn't this done earlier, were
addressed. But we also know it is the hard work of,

2 um, our oversight agencies, the New York City
3 Department of Small Businesses that really went at
4 great length in, um, pushing out, ah, these
5 innovative new programs. Thank you.

6 CHAIRPERSON COHEN: I'm not good at
7 cutting off constituents, everybody. So just
8 [laughs].

9 CAMELIA TEPELUS: [laughs]

10 CHAIRPERSON COHEN: Thank you for
11 testifying.

12 CHAIRPERSON GJONAJ: Camelia, thank you
13 for that excellent point. We should look into this,
14 Chair, on how we can decipher who's part of the Open
15 Streets Program versus an illegal vendor, ah, that we
16 may not, we may assume is part of the expansion of
17 the Open Streets Program. I just don't know if we'll
18 be able to get something in place before the end of
19 the year, and if this program is going to continue.
20 Excellent point, Camelia.

21 CAMELIA TEPELUS: Thank you.

22 COMMITTEE COUNSEL: Thank you, Camelia.

23 As I see no additional questions, we'll move on our
24 next witness, Quenia Abreu. You can begin your
25 testimony after the sergeant has called time.

2 SERGEANT AT ARMS: Your time will begin
3 now.

4 QUENIA ABREU: Thank you, um, good
5 morning everyone, and thank you, um, Council Member
6 Chair Gjonaj and Cohen, for this opportunity to
7 testify today. Um, as you know, we have been a
8 partner of the City of New York for many years in
9 providing services to small businesses and since the
10 pandemic we have been, um, working very closely with
11 them. Um, in June we started to visit the businesses
12 throughout the city to, um, assess their need and
13 provide the, um, services for, um, the reopening and
14 the recovery. And one of the things I want to say is
15 that, um, often the city comes up with this great
16 initiatives, one of, um, like the store, um, the
17 open, um, storefront. One of the things that we
18 really want to advise the city is to convey some of
19 the small businesses, um, to a roundtable to really
20 hear what their needs are, because one of the things
21 that happens a lot of times is that also
22 organizations are called to the table, um, not very
23 often, the businesses are really affected are called
24 to the table to hear them out. And that's one of
25 the, the things that happens. With the storefront,

3 for instance, um, when it comes to their concerns,
4 some of the ones already expressed, um, we, um, did
5 not have them, as many of them at the table as we
6 should have. And, um, talking to them, I could tell
7 you that many did not get the information. Um, a lot
8 of the store, um, fronts don't even know about this
9 initiative and what I advised, um, Department of
10 Small Business Services is to, um, not only talk to
11 the borough chambers but also bring in, ah, the other
12 chambers of commerce [inaudible] chamber. Um, and
13 the other organizations that work with the
14 businesses. There are a lot of organizations that
15 are working with the businesses, providing assistance
16 with, um, the loans, the grants, um, the regulations,
17 everything, and we are right there talking to them
18 all the time. So it makes sense that Department of
19 Small Business Services calls, um, those
20 organizations to also help with promoting this
21 initiatives that are so important, that can really
22 help, um, the businesses. We want to see the, um,
23 the initiative, um, expanded. Um, Council Member
24 Gjonaj, to, um, um, until this pandemic is under
25 control, um, this, you know, the small businesses are
suffering a lot. Um, I, I talk to the store, um,

3 owners to, um, the beauty salons, to the restaurant
4 owners, and anything that we can do needs to be done.
5 So right now we need to expand the initiative. We
6 need to promote it more so the businesses know that
7 this is around. And also we need to include all the
8 organizations that are working with the businesses
9 for them to let them know and also help them with the
10 process. Um, I know that they spoke about the, um,
11 the sidewalk and I'll tell you this. Um, the
12 sidewalk, the businesses are responsible for the
13 sidewalks. So that in terms of cleaning, in terms of
14 making sure that it's safe.

15 SERGEANT AT ARMS: Your time has expired.

16 QUENIA ABREU: So that's important, in
17 that sense, that to take that into consideration,
18 too, the businesses are responsible for their
19 sidewalk and they should have the first bid as using
20 the sidewalk for their business.

21 COMMITTEE COUNSEL: Thank you, Quenia.
22 Any questions, Chairs?

23 CHAIRPERSON COHEN: No, I'm good, thank
24 you.

25 CHAIRPERSON GJONAJ: Quenia, I want to
thank you for being here, and that's another great

3 point. You heard the debate back and forth that that
4 sidewalk entitlement should first be to the
5 storefront adjacent to the, the sidewalk before this
6 becomes a first come, first served, who got there
7 first, ah, argument. We have a will of the of work
8 to do. Thank you.

9 COMMITTEE COUNSEL: Thank you, Chairs.

10 At this time if your name has not been called and you
11 wish to testify, please raise your hand using the
12 Zoom raise hand function. Seeing no hands, I'll turn
13 it over to the chairs for closing remarks. Chair
14 Cohen, um, Chair Gjonaj, would you like to make
15 closing remarks?

16 CHAIRPERSON GJONAJ: I'll let the, ah,
17 senior colleague go first. He's older than I am.

18 CHAIRPERSON COHEN: Ah [laughs], thank
19 you, Chair. Ah, I really just want to, ah, A, thank
20 everybody who testified. I think it is clear that
21 there are a myriad of issues facing our retailers,
22 ah, that are COVID-related and also beyond COVID-
23 related. I do applaud the administration, I think,
24 for looking for creative solutions to try to support
25 our businesses. I think there's a lot, you know, I
think this hearing has made clear that there's a lot

2 more that needs to be done, um, but I, I do want to,
3 ah, I think that we need to acknowledge the work that
4 has been done and, again, I do want to also
5 acknowledge the work of the council staff. Ah,
6 putting these hearings together is very challenging.
7 It's, ah, more labor-intensive than actually meeting
8 live. So, ah, I'm grateful for all the work that's,
9 ah, gone into, ah, making this hearing. I don't know
10 if we, did we acknowledge Council Member Levin,
11 'cause I see Council Member Levin is on. Ah, and I
12 want to tank all the staff. Council Member Gjonaj?

13 CHAIRPERSON GJONAJ: Thank you, Chair
14 Cohen, and, again, thank you for allowing me to
15 cochair this important hearing with you. I want to
16 thank all of those that participated. Um, many more
17 have submitted their testimonies in writing that
18 could not be a part of this. But these hearings are
19 important for this very reason. We get to hear
20 directly from you on things that we may not be aware
21 of, some of the good points that were brought up
22 today and some of the issues, whether it be the
23 grant, ah, tax implications to the suggestion that
24 Camelia brought up of, ah, making sure that we
25 differentiate between the storefront open program and

3 illegal street vendor, or illegal street vendor. We
4 shouldn't make an assumption. And the, ah, point
5 that Quenia, ah, supported again that was made
6 earlier, ah, about, ah, who gets there first and who
7 should have the right of first refusal to the
8 sidewalk adjacent to their property. I want to thank
9 you all [inaudible] help us shape and make a better
10 policy and programs. Nothing is perfect, but as long
11 as we keep trying and improving on what we have we
12 continue to make a difference. Thank you all, and
13 God bless you.

14 CHAIRPERSON COHEN: All right. Thank you
15 very much. This, ah, concludes, ah, this joint, ah,
16 committee hearing of Consumer Affairs and Small
17 Business. [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 January 1, 2021