

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

COMMITTEE ON SMALL BUSINESS

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March 17, 2021
Start: 1:11 p.m.
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HELD AT: Remote Hearing

B E F O R E: Mark Gjonaj
Chairperson

COUNCIL MEMBERS: Mark Gjonaj
Stephen T. Levin
Bill Perkins
Ydanis Rodriguez
Helen K. Rosenthal
Carlina Rivera

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

Jonnel Doris
Commissioner
Small Business Services

Jackie Mallon
First Deputy Commissioner
Small Business Services

Dynishal Gross
Deputy Commissioner for the Division of
Economic and Financial Opportunity
Small Business Services

Andrew Schwartz
Deputy Commissioner for Legal and
Regulatory Affairs
Small Business Services

Blaise Backer
Deputy Commissioner for the Neighborhood
Development Division
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Lucinda Glover
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Paula Segal

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Karen Narefsky

Arthur Kats

Aashna Singh

Carina Kaufman-Gutierrez

Rachel Z

Kathleen Reilly

Abigail Ellman

Omar Hakeem

Micaela Skoknic

Jesse Galvez

Olympia Kazi

Leah Archibald

Ayanna

1
2 SERGEANT AT ARMS BRADLEY: PC recording
3 is up.

4 SERGEANT AT ARMS HOPE: Cloud recording
5 is rolling.

6 SERGEANT AT ARMS POLITE: Sergeant
7 Biando, you begin, you may begin with your opening
8 statement.

9 SERGEANT AT ARMS SADOWSKY: Thank you.
10 Good afternoon and welcome to today's remote New York
11 City Council's preliminary budget hearing of the
12 Committee on Small Business. At this time would all
13 council members and council staff please turn on
14 their video. To minimize disruption, please place
15 electronic devices on vibrate or silent mode. If you
16 wish to submit testimony you may do so at
17 testimony@council.nyc.gov. Once again, that is
18 testimony@council.nyc.gov. Thank you, Chair Gjonaj.
19 We are ready to begin.

20 CHAIRPERSON GJONAJ: [gavel] Good
21 afternoon and welcome to today's remote budget and
22 legislative hearing. My name is Council Member Mark
23 Gjonaj and I am the chair of the council's Committee
24 on Small Business. Today we'll be hearing from the
25 Department of Small Business Service on their fiscal

1 2022 preliminary budget, which totals 152.8 million
2 dollars. The administration prepared the preliminary
3 financial plan in the midst of the worldwide
4 pandemic. As the coronavirus disease, or COVID-19,
5 has ravaged our healthcare system and our economy,
6 small businesses throughout the city have faced
7 uncertainty as to get billing to endure through the
8 pandemic. Both federal and city programs and funds
9 have been established to assist small businesses. As
10 such, this preliminary plan introduces an estimate of
11 the city's spending related to its response to the
12 recovery from COVID-19 pandemic. SBS launched six
13 loan and grant programs in response to the pandemic.
14 The New York City Business Continuity Loan Fund, New
15 York City Employee Retention Grant Program, and New
16 York City [inaudible], the Interest Rate Reduction
17 Grant, the Strategic Impact COVID-19 Commercial
18 District Support Grant, and the NYC Small Business
19 Emergency Grant Program. I want to hear from the
20 agency how it plans to ensure that there is an
21 equitable distribution of funds among the small
22 businesses in all five boroughs and in all council
23 districts. Additionally, SBS has started an
24 initiative called Fair Share NYC, which is campaign
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1 to help New York City businesses take full advantage
2 of the opportunity to receive federal funds. I hope
3 you can tell about the services that this agency is
4 providing with the initiative to assist New York City
5 small businesses. I strongly believe, as I know the
6 commissioner does, that small businesses are central
7 to the help of New York City's local economy and
8 deserve and need much more assistance to get them
9 back on their feet. The council has passed numerous
10 pieces of legislation in the past year to assist
11 commercial tenants, restaurants, and other small
12 businesses. Hence I'm very disappointed that the
13 agency did not include a commercial lease assistance
14 program in its preliminary budget. This program is
15 crucial while businesses during this economic crisis.
16 At the same time I'm proud of the work of this
17 committee, which has passed numerous essential pieces
18 of legislation since the start of the pandemic. One
19 of the most important pieces of legislation we voted
20 through was Local Law 55 of 2020, which temporarily
21 suspended the enforcement of personal guarantee
22 provisions in commercial leases of small businesses.
23 The committee extended Local Law 55 to March 31
24 through the passage of Local Law 98 of 2020, and the
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1
2 preconsidered introduction we're hearing today will
3 further extend these necessary protections through
4 June 31 of 2021. As far as SBS's preliminary budget,
5 I want to know what the agency's long-term plan is in
6 assisting small businesses that have been the victim
7 of this pandemic. With the exception of the
8 Strategic Impact COVID-19 Commercial District Support
9 Grant almost all of the funding available to
10 businesses are through federal funding and private
11 contributions. The administration can't claim that
12 small businesses and jobs are the backbone of our
13 city while disinvesting and starving them of aid and
14 resources at the very time that they need the most.
15 Businesses and jobs are disappearing and the
16 administration's most significant lifeline is a loan
17 program that forces small business owners to put
18 their personal assets, like their home, on the line
19 as collateral. It's hypocritical that this
20 administration supported removing personal guarantee
21 provisions from commercial leases [inaudible] private
22 property owners and then boast about the city aid and
23 loans with personal guarantees [inaudible] don't we
24 know what our city and state will receive more
25 federal assistance and we can no longer [inaudible]

1 while waiting for Washington to act excuse exactly
2 what will the administration offer in direct programs
3 that they were not able to do so last year. And I
4 hope that means more grants and not interest-bearing
5 loans for personal guarantees. We also want to learn
6 about the specific measures SBS is taking to assist
7 and guide the city's small businesses who depend on
8 it and how it is tracking or monitoring the impact of
9 the virus on small business and industries. It is
10 the council's responsibility to ensure that the
11 city's budget is fair, transparent, and accessible to
12 New Yorkers. Hence, as the chair of the Small
13 Business Committee I will continue to push for
14 accessibility and accuracy and ensure that the budget
15 reflects the needs and interests of the city. This
16 hearing is a vital part of this process and I expect
17 that SDS would be responsive to the questions and
18 concerns of the council members. I look forward to
19 active engagement with the administration over the
20 next few months to ensure that the fiscal 2022
21 adopted budget meets the goals the council has set
22 out. Additionally, I want to remind this
23 administration that it is my understanding two-thirds
24 of the 90-plus billion dollar budget comes from New
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1
2 York City taxpayers and that a major contributor of
3 the 60 billion-plus dollars of tax revenue comes from
4 small business operators. New York City small
5 business operators have helped build this city and
6 have invested in the future of our city in time and
7 in fact many would say it's even long overdue for New
8 York City to invest in the very small businesses and
9 their very existence. With that being said, I want
10 to thank Commissioner Doris for testifying today.
11 I'd like to thank SBS staff who have consistently
12 been responsive to our many requests. We would not
13 be able to analyze the city's budget with such detail
14 without your cooperation, so thank you. I'd also
15 like to thank both my staff and the staff of the
16 finance division for their help in preparing for this
17 remote hearing. In fact, I'd like to acknowledge
18 that we have a special guest today. We have the
19 public advocate, Jumaane Williams, who is going to
20 deliver an opening statement. Public Advocate?

21 PUBLIC ADVOCATE WILLIAMS: Ah, thank you
22 so much, Chair Gjonaj. Ah, much appreciated. Ah,
23 thank you to the, ah, the commissioner, ah, as well
24 for being here. Ah, as mentioned my name is Jumaane
25 Williams. I'm the public advocate for the City of

1 New York. Ah, and I'm thankful to have an
2 opportunity to give a statement today this morning.
3 Ah, at this time, I should say this afternoon. Ah,
4 at this time last year New York City shut down all
5 activities because of COVID-19. We still saw how
6 infection rates and death rates, particularly in
7 communities of more color, despite limiting the
8 virus's spread. The sudden closures also meant
9 businesses needed to close with no knowledge of when
10 to reopen. Clearly federal assistance would have
11 been needed as businesses wait for the pandemic to
12 pass. We could have and should have incentivized
13 people to stay closed. One year after the need among
14 small businesses is as great, perhaps greater than
15 last year. Numerous small businesses across the city
16 have permanently closed and workers have lost their
17 jobs in a fragile economy. Loss of income can have
18 serious impacts for communities across the city.
19 That is why I believe a plan is needed for the city's
20 recovery. The administration's proposed preliminary
21 budget for the Department of Small Business Services
22 for fiscal year 2022 was 103.9 million dollars. This
23 is down 32.3 million, or 31%, from the current fiscal
24 year. I understand that the city is making tough
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1
2 decisions because of the sudden budget shortfall
3 resulting from COVID-19. The pandemic, and the
4 resulting economic crisis has upended municipal
5 budgets across the country. Yet I'm concerned about
6 the budget's priorities and lack thereof. For
7 example, the absence of funding for Work Force One
8 career centers that provide job placement [inaudible]
9 and skill training referrals by the end of December
10 22 the New York City's unemployment rate was 11%.
11 The psychological toll of unemployment can be
12 devastating, particularly for people of more color
13 who have disproportionately lost jobs. People
14 deserve not only a chance at employment but also a
15 boost. I'm also concerned about the lack of funding
16 to enforce equal employment opportunity compliance
17 and workforce diversity requirements. Diversity at
18 workplace has an issue, was an issue before the
19 pandemic and it may have been amplified because of
20 it. We need to make sure employers are following EEO
21 compliance as well as for example ensuring
22 opportunities for people with disabilities. Frankly,
23 we must exhaust all of our efforts to help small
24 businesses. That requires creative thinking on our
25 part and I commend the commissioner for talking with

1 businesses across the city in the past year to find
2 solutions. We need to be both transparent and
3 proactive to ensure small businesses and workers get
4 the help they need. Earlier this month my office
5 released a renewed deal for New York City. In it I
6 offered solutions to help the city's business and
7 workers. For example, the city should suspend or
8 severely cap commercial rent over tax breaks and
9 deferments and minimize cuts to SBS. Moreover, tax
10 incentives usually offered for wealthy corporations
11 should instead go toward our small businesses who can
12 and do produce a significant amount of jobs in our
13 communities. One of my bills, Intro number 1990, is
14 another great example of what we can do. The bill
15 provides interest-free loans to small businesses,
16 nonprofits, and freelance workers ineligible for
17 state assistance. The commissioner would determine
18 the specific details of the program from the
19 application process to potential forgiveness. The
20 legislation is one of several solutions that is
21 needed for one of the worst economic crisis in the
22 city's history. Finally, minority- and women-owned,
23 ah, businesses must also be prioritized in the city's
24 recovery. The proposed executive budget slightly
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2 increases economic and financial opportunities for
3 M/WBEs from 8.31 million dollars in fiscal year 2020
4 to 8.38 million dollars in fiscal year 2022. Of
5 course you can welcome it. However, we need to
6 ensure M/WBE can easily access our city's contracts.
7 That increase is almost negligible. The contracting
8 process can be opaque and confusing for M/WBEs.
9 There's no time to waste. Ah, there's no time to
10 wait. These firms face number challenges that can be
11 corrected through government intervention. We need
12 the level the playing field for historically
13 disadvantaged firms. In general, the administration
14 must ensure that the executive budget reflects the
15 priorities of New Yorkers, especially with the influx
16 of money we're expecting from, ah, the federal
17 government and hope we, ah, change some of these
18 numbers. It's not lost on me that, ah, we are
19 decreasing the amount of, of many agencies' budget
20 while we are increasing, ah, the NYPD's and that
21 shouldn't be lost on anyone and the message that may
22 send. Ah, have been a former, ah, business owner,
23 didn't quite make it like some others, but I can only
24 imagine what it would have been like, ah, trying to
25 make it during the pandemic. [inaudible] that if we

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2 don't reflect the priorities properly, ah, we can
3 anticipate discussion of the potential budget changes
4 as negotiation takes place. Um, I hope that happens.
5 Thanks to you, Chair. I look forward to today's
6 hearing.

7 CHAIRPERSON GJONAJ: Thank you, Public
8 Advocate. We're grateful, ah, to you for making time
9 to participate in not only this hearing but the
10 entire budget process. And I'm looking forward to
11 working with you as we address, ah, the injustices
12 that our small businesses are facing. Ah, I'd like
13 to acknowledge that we've been joined by Council
14 Members Rivera and Rosenthal. And now I ask, ah,
15 Council Member Rivera, the prime sponsor of a
16 legislation we're hearing today to deliver her
17 opening statement.

18 COUNCIL MEMBER RIVERA: Good afternoon.
19 Thank you, Chair Gjonaj, for the opportunity to speak
20 briefly on my preconsidered bill that we're hearing
21 today to extend for a second time the prohibition of
22 enforcement of personal liability provisions in
23 commercial leases or rental agreements involving a
24 COVID-19-impacted tenant. It's been 10 months since
25 we first passed this emergency legislation. I don't

1 think any of us could have foreseen last year that
2 we'd still be in this situation in March 2021. This
3 disaster has profoundly changed our cityscape with a
4 nearly 40% decrease in the number of small businesses
5 operating citywide in the last year, according to
6 Harvard Universe, and 12% of all businesses in lower
7 Manhattan, which includes my district, have closed,
8 according to the Downtown Alliance. I, like many of
9 my colleagues, have been fighting every single day to
10 keep our small business community alive. I
11 introduced legislation to create the city's Open
12 Streets Program and supported legislation to
13 establish the Open Restaurants Program. I fought
14 with my council colleagues here to restore funding to
15 the city's Commercial Lease Assistance Program in
16 last year's budget. And we worked with local
17 community organizations to assist businesses in
18 securing emergency grants and loans. But of all of
19 our work in the council this personal liability
20 legislation is the effort I continue to hear the most
21 about from small business owners, many who reached
22 out over the past money worried they would have to
23 shut down their business without the extension. The
24 continued suspension of personal liability clauses
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2 and commercial leases will ensure that countless
3 businesses teetering on the edge can continue to
4 focus on paying workers and supporting their
5 communities without the threat of landlords going
6 after their personal life savings and assets if they
7 do have to shut down. We fought and won in court to
8 protect this law and I'm proud that we are continuing
9 with this legislative effort once again. I hope that
10 by the new expiration date of June 30, when all New
11 Yorkers will be able to access COVID vaccines and our
12 open streets and, and that restaurants will be fully
13 open in the warmer summer weather we'll see a
14 revitalization and celebration of our neighborhood
15 businesses that make New York City the envy of the
16 world. I urge the administration and my colleagues
17 to support this bill when it comes up for a vote
18 later this month and to continue supporting small
19 businesses with the innovative policy that they
20 deserve. Thank you to all of my colleagues, to the
21 administration for being here, and of course to Chair
22 Gjonaj for allowing me this moment to speak. Thank
23 you so much.

24 CHAIRPERSON GJONAJ: Thank you, Council
25 Member Rivera. Let's hope the administration is

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2 listening and they, too, will adopt the, ah, waiver
3 of personal liability when it comes to the loans that
4 are being offered to our small businesses that are in
5 desperate need of any help that they can get. It's a
6 bit ironic that, ah, here we are removing the
7 personal liability that's associated with leases, but
8 adding a personal liability when it comes to getting
9 aid from the city. So thank you, Council Member. I
10 want to turn it over to our moderator, Committee
11 Counsel Stephanie Jones, who will go over some
12 procedural items.

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

1 hearing if council members would like ask a question
2 of the administration or a specific panelist please
3 use the Zoom raise hand function and I will call on
4 you in order. For all panelists, when called on to
5 testify please state your name and the organization
6 you represent, if any. We will now call
7 representatives of the administration to testify. We
8 will be hearing testimony from Jonnel Doris,
9 commissioner of the Department of Small Business
10 Services. We will also be joined for questions by
11 the following representatives from SBS: Jackie
12 Mallon, first deputy commissioner, Dynishal Gross,
13 Deputy Commissioner for the Division of Economic and
14 Financial Opportunity, Andrew Schwartz, Deputy
15 Commissioner for Legal and Regulatory Affairs, Blaise
16 Backer, Deputy Commissioner for the Neighborhood
17 Development Division, and Lucinda Glover, Deputy
18 Commissioner for the Workforce Development Division.
19 At this time I will administer the affirmation.
20 Panelists, please turn on your videos if you have not
21 yet done so. Panelists, please raise your right
22 hands. Do you affirm to tell the truth, the whole
23 truth, and nothing but the truth before this
24
25

2 committee and to respond honestly to council member
3 questions? Commissioner Doris.

4 COMMISSIONER DORIS: I do.

5 COMMITTEE COUNSEL: First Deputy
6 Commissioner Mallon.

7 FIRST DEPUTY COMMISSIONER MALLON: I do.

8 COMMITTEE COUNSEL: Deputy Commissioner
9 Gross.

10 DEPUTY COMMISSIONER GROSS: I do.

11 COMMITTEE COUNSEL: Deputy Commissioner
12 Schwartz.

13 DEPUTY COMMISSIONER SCHWARTZ: I do.

14 COMMITTEE COUNSEL: Deputy Commissioner
15 Backer.

16 DEPUTY COMMISSIONER BACKER: I do.

17 COMMITTEE COUNSEL: Deputy Commissioner
18 Glover.

19 DEPUTY COMMISSIONER GLOVER: I do.

20 COMMITTEE COUNSEL: Thank you. At this
21 time I'd like to invite Commissioner Doris to present
22 his testimony.

23 COMMISSIONER DORIS: Thank you. Ah, good
24 afternoon, Chair Gjonaj and members of the Committee
25 on Small Business, and our Public Advocate, Jumaane

1 Williams. My name is Jonnel Doris. I'm the
2 commissioner of the New York City Department of Small
3 Business Services. I am joined by SBS First Deputy
4 Commissioner Jackie Mallon and members of my senior
5 leadership team. At SBS we aim to unlock economic
6 potential and create economic security for all New
7 Yorkers by connecting New Yorkers to good jobs,
8 creating stronger businesses, and building thriving
9 neighborhoods across the five boroughs. Furthermore,
10 innovation, adaptability, and collaboration
11 underpinned by equity are the guiding principles that
12 ground all our work. With our programs, ah, that
13 include the New York City Small Business Solution
14 Centers, the Work Force One career centers and
15 services, administering the M/WBE program, providing
16 financial assistance, and overseeing the largest
17 network of bids in the country, our goal is to
18 provide high-quality service and create opportunity
19 for New Yorkers. SBS fiscal year 2022 preliminary
20 budget is 152.8 million dollars with a head count of
21 298 employees. The preliminary budget includes pass-
22 through funding that is not spent or managed by SBS
23 as we serve as a conduit for the funding for other
24 city entities. Of the 152.8 million, 40.7%, or 62.2

1 million, is pass-through funding, which includes 26.3
2 million for the New York City Economic Development
3 Corporation, 20.8 for New York City and Company, and
4 15.1 million for Governors Island. The remaining
5 90.6 million, or 59.3% of the fiscal year 2022
6 preliminary budget is allocated for SBS programs.
7 Just over a year ago our work and the lives of our
8 clients were upended in a way we could have never
9 imagined. New York City was forced to shut down to
10 combat the ensuing and surging pandemic and
11 prioritize the health and safety of New Yorkers. The
12 economic crisis that followed has been nothing short
13 of devastating for small businesses, especially to
14 our immigrant and minority-owned businesses, job
15 seekers, and neighborhoods. From the moment of the
16 shutdown the city acted swiftly to support small
17 businesses. At SBS our agency has worked tirelessly
18 to blunt the severe damage from this prolonged health
19 and economic crisis and ensure an equitable recovery.
20 SBS employees have played a vital role in, in the
21 response effort, working nonspecific since the start
22 of this pandemic. I am incredibly proud of these
23 dedicated and committed public servants who are at
24 the front lines helping to bring our city back, our,

1 ah, supporting our small businesses, workers, and
2 communities. In the last year we have launched over
3 two dozen new programs and initiatives, delivered
4 134,000 services to small businesses supporting over
5 76,000 individuals and connected New York workers to
6 more than 14,500 jobs. We have connected more than
7 5000 small businesses to over 135 million in local,
8 state, federal, and philanthropic funding. Our small
9 businesses, ah, hotline, ah, has fielded over 55,000
10 individual calls and we have hosted over [inaudible]
11 webinars serving [inaudible] and attendees and
12 provided over 750 mentorship programs to New York
13 City business owners. We have completed 335 virtual
14 consultations and hit the streets going door to door,
15 meeting businesses where they are by walking in over
16 80 commercial corridors around the city.

17 Additionally, we have connected with over 100
18 business advocacy groups to support outreach and get
19 feedback on our programs and community needs.

20 Adapting to the new circumstance and creating new
21 programs has been a critical part of our response.

22 The Open Restaurants Program was an early lifeline
23 for businesses and has enrolled more than 11,000
24 establishments and saving about 90,000 jobs citywide.

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1 Building on this program, the city launched the Open
2 Storefronts Program which opened the streets to other
3 ground floor businesses to take advantage of much-
4 needed outdoor space. We also expanded our no-cost
5 compliance consultation services to help businesses
6 open safely, avoid penalties, and created plain
7 language reopening resource guides for each industry.
8 We were the first city in the country to provide
9 financial assistance to businesses and launched the
10 Employer Retention Grant and the Small Business
11 Continuity Loan Fund, giving relief when federal and
12 state programs were not available. For the stores
13 that were impacted by looting or vandalism over the
14 summer we launched a small business emergency grant
15 program to mitigate damages. And in November when
16 Washington had not produced a second round of much-
17 needed relief we launched the NYC LMI Storefront Loan
18 and Interest Rate Reduction Grant, which were
19 designed for small businesses in low to moderate
20 income, LMI neighborhoods, largely left out of the
21 first round of federal aid. Ah, commercial
22 revitalization grants, including the New Strategic
23 Impact COVID-19 Commercial District Support Grant
24 were designed to help execute local COVID-19 recovery
25

1 support for small businesses and strengthen New York
2 City commercial corridors. To date these programs
3 have put 61 million in the pockets of 4500 small
4 businesses and allocated another 4.4 million to 50
5 small business supporting organizations in 66
6 communities. To help small businesses across, ah,
7 access billions in federal relief our Fair Share
8 Program provides direct assistance to businesses and
9 offers free resources, one-one-one technical
10 application assistance, and help connect, ah, PPP, to
11 connect to, ah, PPP lenders. To date we have helped
12 over 300 businesses access 17.5 million in PPP funds
13 and for those businesses 73% reported being minority
14 owned and 70%, ah, are located in the outer boroughs.
15 To support the creative industry we launched Curtains
16 Up NYC Program that offers, ah, help to NYC
17 businesses and nonprofits connected to live
18 performance to apply for the Federal Shared Vending
19 Operations Grant. We also invested in three new
20 mentorship programs targeted in communities
21 identified by the city's Task Force on Racial
22 Inclusion and Equity. Small business mentors, ah,
23 NYC, BNYC mentors, and M/WBE mentors provided
24 industry experts as guides for the current inspiring
25

1 entrepreneurs seeking to start and grow a business
2 during difficult times. These programs are expected
3 to serve at least 1500 businesses in 2021. To help
4 small business owners bridge the digital divide and
5 take their businesses online, we launched Training
6 for Your Employees and no-cost training on cloud
7 software programs, ah, with live instruction in
8 English, Spanish, and Mandarin. These, ah, courses
9 target tree, ah, neighborhoods, ah, with a focus on
10 micro businesses and to date 72% of attendees of
11 minority-owned and 67% are women-owned. We also
12 launched our Shop Your City, ah, advertising the
13 social media campaign to drive more customers to shop
14 locally. It includes ways New Yorkers can support
15 minority-owned businesses, some of the hardest hit
16 during the pandemic. Lower middle income New Yorkers
17 have been hit the hardest during the pandemic with
18 many losing their jobs. Our Work Force One centers
19 are here to help and have assisted more than 76,200
20 individuals and worked with over 1000 businesses.
21 And we have connected New Yorkers to more than 14,500
22 jobs and an average, ah, salary of 17.44, ah, \$17.40
23 per hour. We continue 13 occupational training
24 programs remote, ah, remotely in the sectors of tech,
25

1 health care, media, and industry from which we hire,
2 hired graduates went on to make an average salary of
3 \$60,000 annually, creating a real path to family-
4 sustaining wages for these New Yorkers. To prepare
5 New Yorkers with the skills to pursue an in-demand
6 career in the industrial, media, and tech sectors we
7 launched Career Discovery NYC, the centralized
8 resource to assist New Yorkers with career
9 exploration and training. We have also continued to
10 offer the construction site safety training online
11 and show, issuing over 2700 site safety training
12 cards to date and with courses, ah, available in
13 English, Spanish, Mandarin, Cantonese, Polish, and
14 Russian. M/WBEs have also been key, ah, focus for us
15 during the pandemic. We create even greater equity
16 of opportunity in public procurement and offer
17 expanded opportunities to M/WBEs. Ah, in July 2020
18 the mayor signed Executive Order 59, directing all
19 city agencies to maximize the use of the M/WBE
20 500,000 discretionary method by procuring, ah, goods,
21 services, and construction from M/WBEs and of
22 requiring the agencies to get at least one quote from
23 M/WBEs for awarding a COVID-19 response contract and
24 tracking of awards and payments, ah, by the Office of
25

M/WBE shows that 537 M/WBEs have received 910 million in emergency contract work and payments from mayoral and non-mayoral agencies since March of 2020.

Supporting women and black entrepreneurs is vital to the success recovery. During the pandemic We NYC has continued to provide services through its 10 research-based programs designed to benefit women with educational and legal assistance mentorship, networking opportunities, and access to capital.

BNYC has pushed black entrepreneurs to the forefront of the city's equity innovation and agenda and is creating pathways for generational wealth. Through the support of the council our Chamber on the Go initiatives allows us to have our trained business specialists canvass commercial, ah, corridors and connect with business owners. They have already successfully reached more than 18,000 businesses directly and the council-supported Working Cooperative Program has already helped 196 worker cooperatives and has led to the creation of 889 new jobs. SBS created a small business recovery plan designed to jump start the economy in the short time while laying the groundwork for sustainable small business recovery in the long term. This small

1 business recovery plan involved the collaboration
2 with business and leaders, industry associations, and
3 city government partners, was based on four
4 strategies to ensure an equitable citywide economic
5 recovery, support businesses innovation to increase
6 revenue, equip entrepreneurs to adapt and lower
7 operating costs, foster close collaboration with
8 businesses to cut red tape, and promote equitable
9 economic growth and support diverse businesses of the
10 future. With our business recovery plan in full
11 swing, the massive vaccination effort underway, and
12 the passing of the American Rescue Plan Act of 2021
13 New York small business, small businesses can finally
14 see a glimmer of light at the end of the tunnel. As
15 New York City starts to turn the corner, showing
16 signs of an economic recovery, SBS continues to focus
17 on making significant and sufficient capital
18 available for small businesses to recover and survive
19 and provided relief for businesses' operating
20 expenses to avert more small business closures. To
21 support these efforts, at this year's State of the
22 City the mayor announced several initiatives that
23 will drive economic recovery around small businesses,
24 including 100 million loan fund and a 50 million
25

1 rental assistance program in the form of a tax
2 credit, and with an additional 7.25 billion for the
3 Paycheck Protection Program and additional 15 billion
4 for the Targeted Economic Injury Disaster Loan
5 Program and 28.6 billion Restaurant Revitalization
6 Fund included in the American Rescue Plan Act. SBS
7 plans to provide technical assistance to help small
8 businesses and restaurant operators prepare and
9 access this much-needed federal aid. SBS will
10 activate, ah, our Fair Share NYC in the same way we
11 did for small business owners accessing PPP and the
12 Curtains Up NYC Program for performance, ah, venues.
13 We will also continue to work with partner agencies
14 and City Council to make New York City one of the
15 easiest places in the country to open and reopen a
16 business by cutting fines and red tape to help small
17 business owners recover and thrive. A key component
18 to the city's recovery is to continuing to connect
19 New Yorkers to good jobs. The recently announced
20 Vaccine for All [inaudible] which will employ 2000
21 New Yorkers for our, from neighborhoods hardest hit
22 by COVID will be sourced, ah, workers will be sourced
23 through the SBS Work Force One centers. And lastly
24 we will continue to work with the city's 76 BIDs,
25

1 five chambers, community groups and, and sector
2 council representatives to ensure the city's business
3 districts, retail corridors, and neighborhoods are
4 clean and safe, welcoming businesses and customers
5 alike. In conclusion, I am incredibly proud of the
6 work my team and SBS has done to serve businesses,
7 neighborhoods, and job seekers during fiscal year 21
8 and throughout the pandemic. While we know that
9 there are challenges ahead we are confident that our
10 economic recovery plans present a road map that will
11 ensure a sustainable and equitable recovery for New
12 York City, small businesses, workers, and
13 neighborhoods. I look forward to the council's
14 continued partnership as we work together to aid in
15 New York City's recovery from COVID-19. Finally, I
16 want to share my support for the extension of Local
17 Law 55 of 2020, which extends temporary personal, ah,
18 guarantee protection, ah, provisions from, for our
19 commercial tenants impacted by COVID-19. The law has
20 allowed small business owners to plan and make
21 decisions without fear of additional losses. Thank
22 you for the opportunity to present today and I'm
23 happy to take the questions you may have.
24
25

1
2 CHAIRPERSON GJONAJ: Thank you so much,
3 Commissioner Doris. Um, can you please reiterate
4 those numbers again and the programs, um, that you,
5 ah, went through in your testimony? Ah, the 100
6 million, the 50 million, so on and so forth, and
7 explain a little bit about those programs?

8 COMMISSIONER DORIS: Sure. Ah, in the
9 mayor's State of the City, ah, the mayor, ah, did
10 mention that, ah, as federal, ah, assistance comes in
11 and federal stimulus comes in, um, we will launch a
12 100 million dollar loan fund, ah, for small
13 businesses, and the 50 million, ah, tax, ah, credit
14 program, ah, for small businesses as well. Um, and
15 that is currently, ah, in Albany. It was presented
16 in the one house bill in the Assembly and it was
17 also, I believe, introduced, ah, in the senate, State
18 Senate. Ah, so those programs are currently ongoing.
19 Um, we of course are evaluating, as you can imagine,
20 ah, the impact of the stimulus that is coming to New
21 York City. We're not fully there yet. Ah, we are
22 speaking, ah, with OMB and others around that. Ah,
23 but we will have probably more to say, ah, at a later
24 date on exactly how that program will be implemented.

1
2 CHAIRPERSON GJONAJ: I'm looking forward
3 to hearing more about those programs. Ah, this is a,
4 a dire time for our small businesses, Commissioner,
5 as you and I have discussed so many, on numerous
6 occasions and over the last year, um, of what we to
7 do and how we've fallen short of coming to the aid of
8 our small businesses. And I hope that, ah, some of
9 those programs are zero percent interest loans versus
10 loans with interest rates that also require personal
11 guarantees. I keep bringing that up because I can't
12 imagine how we continue to provide a claim to provide
13 aid that is risking, um, the homes and any other
14 investment our small businesses may still have. Um,
15 but thank you, Commissioner, I look forward to
16 continuing that. Can you please help me understand,
17 Commissioner Doris, why in the preliminary budget the
18 Commercial Lease Assistance Program, which is a
19 federal program that small businesses, ah, need the
20 most, why is the funding for this program not
21 included in the preliminary budget?

22 COMMISSIONER DORIS: Yeah, thank you,
23 thank you, ah, Council Member for, for that question.
24 Um, look, the CLA program is, you know, it's one of,
25 ah, ah my favorite programs and a vital program to

1
2 this agency. Um, you know, the program will be
3 included in our budget, ah, going forward. Um, and
4 so, ah, we are very excited about that. You know,
5 last year, ah, while it wasn't included, ah,
6 initially it was, ah, put into the budget and we
7 actually increased the expenditures for that program,
8 right, \$300,000. Ah, so, um, you know, we can say
9 today that, um, you know, it will be included also in
10 our budget.

11 CHAIRPERSON GJONAJ: Ah, I'm, I'm glad to
12 hear that you feel it's going to be included in the
13 final budget. Um, but you haven't answered why it
14 wasn't included in the preliminary budget. If you're
15 such a supporter of it, the administration believed
16 the need is there more than ever before, ah, and we
17 rant and rave about, ah, the advantages of the
18 program, why wouldn't it be in the preliminary
19 budget?

20 COMMISSIONER DORIS: Yeah, no, you're,
21 you're, you know, look, we're going through the
22 budget process as you can imagine, ah, now. Um, also
23 with, ah, ah, you know, not fully having, ah, the,
24 ah, forecast that we have now and, and coming
25 assistance to the city. Ah, but look, we always

1 intended to have this program, ah, in, in our budget.
2 It's, it's going to be in our budget. We have the
3 commitment. The mayor actually committed at his
4 testimony in Albany, ah, as well. I mean, so we, you
5 know, we're, ah, just going through this budget
6 process. Ah, it will be in there, as it is now.

8 CHAIRPERSON GJONAJ: Thank you,
9 Commissioner. I think we could all agree now based
10 on, ah, the input of the marketplace that, um, we
11 expect a third of our businesses not to reopen. Is
12 that an acceptable number to you, Commissioner? That
13 will not survive the pandemic?

14 COMMISSIONER DORIS: That is what we've
15 heard. Um, you know, some, a third, up to a third,
16 that's generally, ah, what we're hearing. Um, but
17 we're also, ah, seeing, ah, that number fluctuates,
18 um, you know, it depends on the industry, it depends
19 on where. But certainly we've heard that as well.

20 CHAIRPERSON GJONAJ: It would be
21 devastating to the city's economy and the future if
22 we lost any, if we lost a third or anything close to
23 a third of our small businesses. And I continue to
24 beat the drums on we must do more. We must do more
25 to ensure that these businesses survive, so that they

1
2 can thrive later. The smartest investment that we
3 can do now into this economy that is so questionable
4 and the future of our city is by helping small
5 businesses remain open. It would be, it would yield
6 an instant return on any investment that we make. I
7 hope that we continue this dialogue. I hope the
8 administration truly commits itself, not only in
9 words but in true dollars into helping these
10 businesses survive. Small businesses will need the
11 assistance beyond fiscal 2021. Many of the experts
12 are predicting our recovery to go well into 2024 and
13 if not into 2025. What are we doing to plan long
14 term strategically to help meet the needs of these
15 small businesses?

16 COMMISSIONER DORIS: Well, thank you so
17 much, Chair, for that. Look, I, we agree 100% that,
18 um, you know, our, our program, ah, for small
19 businesses, ah, need to have a long-term strategy and
20 that's [inaudible] into what we are doing. Um, we
21 presented the four points in my testimony, you know,
22 increasing revenue, um, by, by helping support
23 innovation for small businesses. That's both long-
24 term and short-term, and we've also talked about
25 having businesses the ability to adapt, lower

1
2 operating costs, but one of the really long-term
3 strategies and I think we've been working, ah,
4 closely with you on this is well is really making New
5 York City the easiest, ah, ah, place to actually open
6 a business and that means we've got to cut red tape.
7 We have to make sure that the fines and fees are
8 also, ah, ah, you know, adjusted, ah, more cure
9 periods, etcetera, all, all the, ah, the items that,
10 that you've discussed. Ah, we've got to create an
11 environment and continue to create an environment
12 here in the city, ah, that is conducive for business
13 growth. And then ultimately, ah, we're really
14 focused about what, what an equitable future looks
15 like, really supported, ah, diverse entrepreneurs,
16 ah, which is, ah, critical. Um, you know, over 50%
17 of New York City businesses are immigrant-owned. Ah,
18 we when we think about that and who they are and how
19 we're supporting them that's a long-term strategy.
20 Um, also, ah, beyond that, ah, making it easy for
21 small businesses to really take from, go from
22 ideation, um, into, to actual end product and that,
23 um, for instance we're, we're at, ah, we announced
24 the accelerator that's gonna be at the Brooklyn Navy
25 Yard for, for black entrepreneurs and, ah,

1 entrepreneurs of color. Ah, when you think about
2 what that means is that we're creating, um, an
3 atmosphere where those businesses can actually get an
4 idea and then take that idea and bring it to product
5 to market and helping facilitate that. And also the
6 last thing I'll say is really helping, ah, small
7 businesses adapt in the way of technology and we have
8 certainly more to come on that, but certainly that is
9 part of our focus and so, ah, making them more
10 adaptable, making sure that these small businesses,
11 ah, we're helping them lower operating costs, and
12 then really changing the regulatory environment for
13 the city to make it easier for these businesses to
14 actually open, and then thinking about diverse
15 businesses and how we engage them and how we bring an
16 idea to market. All those things are a part of our
17 long-term strategy, ah, to help this, ah, economy
18 come back and our small businesses come back.

20 CHAIRPERSON GJONAJ: Thank you,
21 Commissioner. Again, I, ah, it's great that we're
22 thinking of how we can streamline the opening of
23 businesses ah, that would have [inaudible]. But my
24 focus, and I think our immediate focus should be on
25 how we help existing businesses stay open. So if we

1 can cut any red tape and bureaucracy, ah, that should
2 be our focus. These are the...

4 COMMISSIONER DORIS: Absolutely.

5 CHAIRPERSON GJONAJ: ...businesses that
6 have built the city. So I welcome any new business
7 to the City of New York. But my priority is to those
8 that have built and invested in this city, that they
9 stay open.

10 COMMISSIONER DORIS: Absolutely.

11 CHAIRPERSON GJONAJ: Outlining all of
12 those, ah, programs and ideas that you just, ah, went
13 through, do you believe SBS's expense budget is large
14 enough to meet and support those small business
15 programs that you just referred to?

16 COMMISSIONER DORIS: Well, Mr. Chair, as
17 any good commissioner I would say to you that we
18 welcome additional resources, ah, ah, if we can get
19 it, ah, but I want you to know that you, ah, whatever
20 our budget may be as it is now, ah, we have done all,
21 ah, those programs that I discussed in my, ah,
22 opening and we have provided resources both to, ah,
23 ah, workers, neighborhoods, our BIDs, our chambers,
24 others, ah, and also our small businesses, um, with
25 the resources that we have. So we certainly are, are

1
2 very excited about the new resources that are gonna
3 be coming to us through the programmatic, ah,
4 announcements the mayor made at the State of the City
5 that I mentioned. Ah, but certainly, ah, we will
6 make sure that we maximize the use of our budget that
7 we have.

8 CHAIRPERSON GJONAJ: Thank you. So I
9 give you a suggestion, ah, as you obviously, as you
10 eloquently put that any commissioner would seek more
11 dollars for their, um, for the programs that, ah,
12 they need and the staff and the agency that they're
13 responsible to. His name is Mayor de Blasio. I
14 encourage that he give more of the budget, ah, to
15 Small Business Services, especially now that
16 Washington has done its part. It's up to this
17 administration to do its part, and that is to make
18 sure that your department, your agency, is fully
19 funded to make those programs and initiatives a
20 reality and to make sure that equitably all five
21 boroughs, all council districts, are afforded the
22 same opportunities for loans and grants, and I focus
23 more on the outer boroughs than Manhattan. And
24 we've, we've gone through this so many times that,
25 um, I, I don't want to beat a dead horse. If

1
2 Manhattan is the engine the fuel comes from the outer
3 boroughs. And the outer boroughs need more. I was
4 quite disappointed during our last hearing when we
5 found out that the three council districts that
6 received the bulk of the aid were in Manhattan and
7 the three professions were doctors, lawyers, and
8 dentists. That is not the small businesses that we
9 all envision, the mom and POPs that need aid in these
10 economic, ah, crisis that we're all facing. Have all
11 of the loans and grants been dispersed already? If
12 not, do you know what's left in each program?

13 COMMISSIONER DORIS: Ah, let me, two,
14 yes, let me, ah, give a point of clarification. On,
15 on, certainly earlier on, as you mentioned, in the
16 Continuity Loan Fund, um, and the, ah, we did talk
17 about that and talking about borough diversity, but,
18 ah, subsequent programs that we have launched, um,
19 have been significantly, ah, different as you, as
20 you, ah, as we mentioned as well, um, and we want to
21 make sure that, ah, the outer boroughs know and
22 everyone, all small businesses across the city, know
23 that we do have a five-borough strategy that we've
24 implemented, ah, since, ah, certainly, um, the time,
25 ah, from the last, the previous first loan and grant

1 program. And so, um, I would say that we, ah, the,
2 the, ah, Strategic Impact grants are, are still open.
3 Our LMI Storefront, ah, program while it's closed to
4 applications, ah, we're still processing, ah, all the
5 applications that were put in to that program. Um,
6 and so those, those programs and the Interest Rate
7 Reduction Grant Program is, is also open and active
8 at this moment.
9

10 CHAIRPERSON GJONAJ: Do you know the
11 dollar amounts that are left in those three programs
12 that have not been dispersed?

13 COMMISSIONER DORIS: Um, I can, let me
14 ask the team here for everybody, if, ah, someone can,
15 ah, pull that up, as we, we discussed today.

16 FIRST DEPUTY COMMISSIONER MALLON: In
17 total, in total it's around 24 million-ish.

18 CHAIRPERSON GJONAJ: For all three
19 programs, ah, Deputy?

20 FIRST DEPUTY COMMISSIONER MALLON: Yeah,
21 combined.

22 CHAIRPERSON GJONAJ: That's certainly,
23 ah, would go a long way in helping some of our small
24 businesses, but certainly does not meet the needs of
25 all of our small businesses, the 230,000-plus

1 businesses in the City of New York. Um,
2 Commissioner, many of the businesses have told me
3 that they've never even heard about any of this
4 program. As recently as yesterday, and I believe,
5 um, we'll be hearing later on, ah, from a small
6 business owner that's going to testify today at this
7 hearing that they've never been able to get in touch
8 with anyone to hear about the programs and they did
9 follow up are there gonna be SBS or any of the other
10 small business, ah, assistance groups out there it
11 all led to a dead end. That, besides the
12 applications that were submitted, she has never heard
13 back, ah, and I'm sure this is the telling story of
14 many of our small businesses that have chased leads,
15 that have chased the opportunity to apply for a loan
16 and grant and have not been able to do so, have not
17 heard feedback. Is this a concern for you?

19 COMMISSIONER DORIS: Ah, you know, I
20 would say that absolutely. We want to make sure that
21 small businesses know that, um, customer service, ah,
22 is very much a part of who we are here at SBS and,
23 and, and certainly if there's a small business who,
24 ah, have reached out and, ah, were not able to, ah,
25 contact us, um, you know, that's, that's something

1
2 that is near and dear to me and, and certainly we
3 want to make sure that we help, ah, that particular
4 business. I would say, though, that, ah, look, we
5 launched our, ah, hotline and over 55,000, ah, small
6 businesses have called that hotline. Ah, I met the
7 mayor's, ah, press conference many times and also
8 reiterating that to, to everyone. Ah, we also do
9 direct outreach through the hundred organizations
10 plus that I mentioned, um, earlier in my testimony.
11 Um, we are on the line. We do have, ah, translation
12 in, in, particularly on our, our hotline of several
13 hundred languages. Um, and, ah, over I think 11 or
14 so translations and, and the materials that we put
15 out. Um, look, you know, and, and constant
16 communication back with, ah, our chambers, 76 BIDs,
17 representing 96,000, 96,000 small businesses. Ah,
18 but we're, we're not, I would not sit here and tell
19 you that a particular, ah, business somewhere in the
20 city, ah, may not, ah, have had an opportunity to
21 hear about this. So part of what we're doing is
22 doubling down on those efforts, um, and by doing
23 that, that's where we launched our Shop Your City
24 campaign, ah, to let folks know, ah, to shop locally,
25 but also highlight our small businesses and the

1
2 resources that we have and bring really true, you
3 know, bring some, some illumination to the resources
4 that the city have and, and certainly walking the
5 corridors, like we've done with you and so many other
6 of our, our council members to really let small
7 businesses know, ah, that there is help for them.
8 Ah, but certainly if a small business is, ah, unable
9 to or did not or there's some, ah, issue, ah, we're
10 happy to take that on and help and assist them, ah,
11 right away and certainly would, would do that.

12 CHAIRPERSON GJONAJ: Thank you,
13 Commissioner. In the SBS budget there's a line item
14 for contracts. Um, do you know what that dollar
15 amount is? I don't have it in front of me, and have
16 you gotten an answer, oh, you got the answer
17 [inaudible]. Do you know what that dollar amount is
18 for outside contracts through your agency?

19 COMMISSIONER DORIS: The line item
20 outside contracts, ah, I'm not sure...

21 CHAIRPERSON GJONAJ: Consultants,
22 consultants and contracts, that is [inaudible]
23 engages throughout the year, um, we'll have to engage
24 with throughout the year.

25

1
2 COMMISSIONER DORIS: I know we have
3 several, ah, consultants, ah, that help us with our
4 M/WBE program. We also have, ah, for our, ah, our
5 various programs that we do have in our business
6 solution centers, I know our workforce, ah, centers
7 have, ah, consultants. I'm not sure which line, I'm
8 sorry, but I don't know which line, um, that you're
9 talking about. But if, I'm happy...

10 CHAIRPERSON GJONAJ: But the question I
11 had is, Commissioner, how do these consultants and
12 outside contractors that SBS would be engaging, are
13 they all from New York City or some, are any of the
14 consultants or contracts have you, um, would you will
15 be working outside of the five boroughs?

16 COMMISSIONER DORIS: I think the short
17 answer would be like the, the majority of who the
18 folks we work with are folks from the city. But, um,
19 Jackie, do you have any additional, ah, intel on
20 that?

21 FIRST DEPUTY COMMISSIONER MALLON: Yeah,
22 there are, there are, um, a couple of, of, um, ah,
23 workforce providers, for example, who are not
24 located, who are not headquartered here. They're all
25 located here. They're all local people working on

1
2 them, but just not, the business is headquartered in
3 another city, as an example. But you are right, the,
4 the majority are, are city-based firms or M/WBEs
5 where possible.

6 CHAIRPERSON GJONAJ: Thank, thank you,
7 um, Deputy. I'm looking at the contract budget trend
8 and it looks like FY22 preliminary of the 152
9 million, 114 million are, are contract budget line
10 item. Um, whatever the number is, and you're saying
11 a majority, like this doesn't make any sense to me,
12 that we can't find that expertise in a city of 8.6
13 million people at a time when businesses are closing
14 and everyone is looking for, ah, for work and
15 business. It actually should be unsettling to know
16 that a dollar leaves New York City, and as you say,
17 those, those corporations or entities may have
18 offices out of New York City and not in New York
19 City. Just remember every dollar that leaves the
20 city doesn't come back to the city. Whether it be
21 through income tax or any other tax, and I would
22 encourage you to start looking at those contracts in
23 this upcoming budget and assuring New Yorkers that
24 every dollar that is going to be contracted out will
25 be a New York City entity which hires and employs New

1
2 York City residents. And I don't know if you want to
3 comment on that, Commissioner.

4 COMMISSIONER DORIS: Yeah, only, again,
5 I, I mean, that's a big number you mentioned. I just
6 want to make sure that, um, I don't want to, I mean,
7 we contract services, EDC, New York City and Company,
8 Governors Island, I mean, those are, and Brooklyn
9 Navy Yard. That's what we have at 62.2 million. And
10 so that's the pass-through component of our budget,
11 if that's what we're talking about. That's all city
12 entities. But certainly hear you on the, ah, ah, the
13 importance and significance of, ah, local contracting
14 here and certainly we, um, we support that and, you
15 know, certainly the majority of our contracts, ah,
16 that we have at the city, ah, are local, um, here at
17 SBS and, and, and the majority of that we contract
18 with our, I think overwhelming the majority of it, I
19 think 65%, 70%, are M/WBEs from this particular
20 agency. So I'm, I'm not sure if that's the mix-up
21 there, but the contract services line that we have is
22 EDC as the pass-through contracts that we have with,
23 ah, other city entities.

24 CHAIRPERSON GJONAJ: Thank you for that
25 explanation, ah, Commissioner. I look at the graft.

1
2 It's \$114,378,000. I'm sure that includes EDC. I'm
3 hopeful that after this hearing that your, ah, agency
4 will be able to provide me a breakdown of those
5 contracts and make, and even let's get a little
6 deeper. Where are those contracts going as far as
7 the breakdown of, of distribution for all five
8 boroughs? So if this again is gonna be all
9 Manhattan-based we'll have another issue. Ah, so I'd
10 love to see the breakdown of that 114 million to see
11 how many of those contracts are being afforded to
12 entities and groups in New York City, and then let's
13 look at them by borough. Who's determined if
14 equitably all five boroughs are given an opportunity
15 to participate in this large dollar amount,
16 especially during this time. Can I get a commitment
17 from you on that?

18 COMMISSIONER DORIS: Ah, we certainly can
19 provide, ah, the, the breakdown on where our
20 contracts are and certainly, ah, ah, sort of take out
21 the EDC and Governors Island, Navy Yard components so
22 that, ah, it's, you can see that a little bit more
23 clearly. Absolutely.

24

25

2 CHAIRPERSON GJONAJ: Even including them
3 in there, we can just decipher the numbers. I
4 wouldn't be...

5 COMMISSIONER DORIS: OK.

6 CHAIRPERSON GJONAJ: ...ah, shell shocked.
7 Um, Stephanie, does any, ah, do any of the council
8 members have questions for the commissioner?

9 COMMITTEE COUNSEL: No, not at this time,
10 Chair.

11 CHAIRPERSON GJONAJ: Well, Commissioner,
12 I know as always you have a lot going on, but some of
13 your staff will remain, um, on during this hearing
14 and follow the testimony of those that have, ah,
15 signed up to testify, that we can run more from the
16 public and that's our responsibility. The more we
17 hear the more we learn and the more we know what to
18 do. So I want to thank you, Commissioner, for your
19 time and the work that, ah, we've done together and
20 the work ahead, and, and I know that you're, you and
21 I share the same passion for our small businesses.
22 Um, and I know that we both have responsibilities and
23 different [inaudible] on how we're gonna get there.
24 And I'm looking forward to making sure that we do the
25

2 most that we can to help our small businesses
3 survive. Thank you, Commissioner.

4 COMMISSIONER DORIS: Thank you, Mr.
5 Chair. Thank you.

6 CHAIRPERSON GJONAJ: Thank you, Deputy
7 Commissioner, because you're also awesome.

8 FIRST DEPUTY COMMISSIONER MALLON: Thank
9 you, sir. Always a pleasure.

10 COMMITTEE COUNSEL: Thank you. We will
11 now turn to public testimony. Each panelist will be
12 given three minutes to speak. Please begin once the
13 sergeant has started the timer. Council members who
14 have questions for a particular panelist should use
15 the Zoom raise hand function and I will call on you
16 after the panelist has completed their testimony.
17 For panelists, once your name is called a member of
18 our staff will unmute and the Sergeant at Arms will
19 give you the go-ahead to begin upon setting the
20 timer. Please wait for the sergeant to announce that
21 you may begin before delivering your testimony. I
22 would like to now welcome Paula Segal to testify,
23 followed by Kunsang Kelden, and Andrew Rigie. Paula.

24 SERGEANT AT ARMS: Time starts now.

1 PAULA SEGAL: Good afternoon. Um, as you
2 know, my name is Paula Segal. I am speaking today as
3 senior staff attorney at TakeRoot Justice. Um,
4 TakeRoot works with grassroots groups, neighborhood
5 organizations, and community coalitions to help make
6 sure that people of color, immigrants, and other low-
7 income residents who've built our city are not pushed
8 out in the name of progress. Um, TakeRoot is also
9 member of United for Small Business NYC, USBNYC, a
10 coalition of 15 organizations in New York City
11 fighting to protect small business and nonresidential
12 tenants from the threat of displacement. It was as a
13 response to USBNYC's advocacy a couple of years ago
14 that the administration launched the Commercial Lease
15 Assistance Program that I'll be speaking about in a
16 little bit more detail. Um, TakeRoot Justice is also
17 one of the providers on, in the Worker Cooperative
18 Business Development Initiative and we thank the
19 council's support for that initiative. Um, as you
20 know, TakeRoot and our partners, ah, Volunteers of
21 Legal Service and Brooklyn Corporation A, provide
22 direct legal representation to low-income small
23 business owners via a contract with the Department of
24 Small Business Services. Um, we have, we were

1
2 dismayed to see that in the preliminary budget the
3 amount for this program was once again reduced to
4 zero. Um, since the inception of the program in 2018
5 CLA, the CLA program has addressed over 1200 legal
6 matters and just since March my office, which has the
7 smallest piece of the contract, has counseled over
8 100 small businesses negotiating with their landlords
9 about rent and tenancy. In the midst of an ongoing
10 pandemic it has thrust even greater economic strain
11 on those least able to weather it. Our clients are
12 struggling to avert both personal and corporate
13 bankruptcies. Several of them are here today to tell
14 you directly about the impact access to legal
15 services has had on their small and family
16 businesses. The mayor's budget line stating zero
17 echo the disruption that the program had last year
18 when in the June budget the program was cut entirely.
19 Mayor de Blasio saw fit to restore the program late
20 last summer in response to the advocacy of council
21 members here, ourselves, our community-based
22 organizations partners, and our small business
23 clients. Ah, the preliminary budget suggested yet
24 another such disruption might be in our future and we
25 as a city just can't afford it. We're glad to hear

1
2 commitments from the administration at this hearing
3 and in recent weeks to restore the funding in the
4 final budget so we can keep providing services
5 without interruption. But we really ask the
6 committee to recommend renewing and expanding funding
7 in the fiscal 22 budget and to push for a future
8 where support for small businesses isn't subject to
9 the whiplash of the budget process, as we heard about
10 today. We also urge the council to support the
11 extension of personal guarantee restrictions for
12 COVID-impacted small businesses as introduced by
13 Council Member Rivera. I concede the rest of my
14 time.

15 CHAIRPERSON GJONAJ: Thank you so much,
16 Paula. I mean, that was like timed to the second.
17 [inaudible] good for you. I was also disappointed,
18 and, and I'm not sure why the emotional rollercoaster
19 budget after budget, to take it out and to have all
20 of the stakeholders that engage and spend the limited
21 time and, and resources that we have to make sure
22 that not only gets put back on, that it's not cut.
23 Ah, I don't understand, I don't understand why this
24 dog and pony show, ah, continues year in and year
25 out. But I agree with you and that's a service that,

1 um, I would be pushing for and so many of my
2 colleagues, understanding the good work that you do.
3 So thank you, Paula.

4 PAULA SEGAL: Thank you, Council Member.

5 COMMITTEE COUNSEL: Thank you, Paula.

6 Next I will be calling Kunsang Kelden, followed by
7 Andrew Rigie, and then Andrea Bowen. Kunsang.

8 SERGEANT AT ARMS: Time starts now.

9 KUNSANG KELDEN: Hi, my name is Kunsang
10 Kelden, um, and I'm from [inaudible]. We're a small
11 family-owned retail business, um, in the East
12 Village. Um, and we opened our store 30 years ago,
13 um, and, you know, like many small businesses across
14 the city we experienced our most difficult year ever,
15 ah, during the pandemic. Um, in the beginning we
16 experienced an 85% decrease in overall sales and then
17 starting from March we were closed, ah, for several
18 months. Um, throughout the pandemic, however, our
19 landlord demanded our full rents without any
20 concessions and we received countless emails,
21 letters, harassing phone calls on a regular basis.
22 Um, struggling to pay that rent and handling the
23 overall communications and negotiations with our
24 landlord, ah, was incredibly, ah, stressful. Um, the
25

1 amount that we owed our landlord by February 2021 was
2 near to \$100,000. Ah, for small businesses like us,
3 um, you know, that amount is incredibly, ah,
4 stressful and catastrophic and without the help of
5 Paula at TakeRoot Justice, ah, we would not have been
6 able to successfully negotiate a 50% reduction in
7 that amount owed in addition to nine months of 2021,
8 um, also being reduced. Um, so the support of
9 TakeRoot as well as the Cooper Square Committee has
10 been incredibly valuable to us, um, as a small
11 business and, um, you know, we wouldn't have been
12 able to navigate this, ah, area, which is incredibly
13 scary and, you know, having the support to navigate
14 this, ah, discussion and communication with our
15 landlord in a way that feels, ah, safe and secure
16 during a time when, you know, there's, we feel like
17 we're constantly, um, you know, having to think about
18 what to do in an emergency situation and I think, um,
19 you know, we really appreciate having that, ah, kind
20 of advising and, ah, ongoing communication, um,
21 because it's not easy with just it being me and my
22 father, who's elderly, having to negotiate safety and
23 security during COVID times, um, and then having to
24 deal with a landlord who is not willing to listen and
25

1
2 is really not willing to, um, make any kind of
3 concession. So to us, um, having this type of
4 resource from the, from an organization was, ah,
5 incredibly helpful. So, um, I thank you very much
6 for like inviting me to share my testimony, um, and,
7 ah, yes, that's it. Thank you.

8 CHAIRPERSON GJONAJ: Thank you, Kunsang
9 and it's great to know that, ah, Paula was able to
10 help you as you negotiated or renegotiated. And the
11 \$50,000 that you've now agreed to, were you able to
12 pay it off and have you applied for any loans or
13 grants, ah, from New York City or anywhere else to
14 help you pay that?

15 KUNSANG KELDEN: Unfortunately, yes,
16 unfortunately we have applied for small business
17 grants in the past. Um, however, we were not able to
18 receive anything, um, in the negotiation, um, of that
19 \$50,000, I mean, a little bit less, um, we were able
20 to pay a chunk of it off because we had savings, but
21 that wiped out all of our savings and, and in
22 addition we were, we also had to resort to taking
23 from our security deposit that we had given to the
24 landlord. Um, but it, it took nearly a year in order
25 to get to this point. Um, when we got in touch with

1
2 Cooper Square Committee last November or December,
3 um, at that point there had been no change in the, in
4 what they were offering, um, and it wasn't until last
5 December and up until maybe like about last month
6 where we actually reached a point, um, ah, in our
7 agreement with them. So, ah, yes. So to answer your
8 question, we were able to pay it off but we had to
9 resort to taking it out of our deposit.

10 CHAIRPERSON GJONAJ: Thank you. You
11 heard the commissioner say that, ah, open and through
12 Paula, and I'm sure Paula has her own, ah, loans and
13 programs that she's been helping small businesses,
14 ah, obtain. Please utilize everyone out there,
15 including SBS's guidance. We're not out of this and
16 we need you to survive.

17 KUNSANG KELDEN: Thank you.

18 COMMITTEE COUNSEL: Thank you. Next up
19 I'll be calling Andrew Rigie, followed by Andrea
20 Bowen, and then Ruth Lopez Martinez. Andrew.

21 SERGEANT AT ARMS: Time starts now.

22 ANDREW RIGIE: Good afternoon, Mr. Chair.
23 Thank you to all the council members. My name is
24 Andrew Rigie. I am the executive director of the New
25 York City Hospitality Alliance. We are a not-for-

1 profit association that represents restaurants and
2 nightlife venues throughout the five boroughs. Ah,
3 we're gonna submit written comments, but today just
4 wanted to focus my verbal testimony on supporting the
5 extension of personal liability guarantees in leases.
6 Ah, when COVID first hit this was one of the main
7 issues that came up when we were speaking with small
8 business owners, who were not only fearful because
9 they couldn't pay their rent and they thought they
10 may lose their business, but they knew that if they
11 were unable to pay rent, defaulted on their lease,
12 then their landlord could come after their personal
13 assets and it would only compound the crisis that
14 they were in, and that we've now continued to be in
15 for more than one year. Ah, our city's restaurants,
16 bars, and other small businesses have just been
17 absolutely devastated. While we don't know exactly
18 how many have shuttered, we estimate the number is in
19 the thousands, ah, and countless more are teetering
20 on the edge of survival. I saw a recent, ah, report
21 come out from the partnership which said that 5000
22 restaurants have shuttered and another report from
23 the state comptroller's office suggested that one-
24 third to one-half of New York City's 25,000 eating
25

1 and drinking establishments could shutter without
2 adequate support. And today we have yet to receive
3 adequate support. Ah, just a, a report released by
4 our organization in December found that 92% of the
5 restaurants and bars we surveyed in the five boroughs
6 were unable to pay any or full rent in the month of
7 December. So this crisis is going on. Ah, we are
8 still at 35% indoor occupancy for indoor dining. Ah,
9 it's going to exceed to 50%, but we have a long ways
10 off until we get back to 100% and general dining and
11 eating and drinking, socially behavior gets back to
12 pre-pandemic levels. And our workforce has been
13 absolutely devastated. Pre-pandemic there were about
14 325,000 jobs in our city's restaurants and bars.
15 There's still more than 140,000 New Yorkers that
16 worked in these businesses pre-pandemic still out of
17 work. So we must, must pass and extend the
18 protections against enforcement of personal liability
19 guarantees in leases. To me the question is not even
20 how many businesses have permanently shuttered yet.
21 The question is how many of these small businesses
22 are being kept open artificially in large part due to
23 the suspension of personal, ah, enforcement of
24 personal liability guarantees. So, ah, the

1
2 Hospitality Alliance strongly supports the extension
3 of this law. It's been critically important saving
4 people's livelihoods and giving them a fighting
5 chance to get back on their feet, rebuild their...

6 SERGEANT AT ARMS: Time expired.

7 ANDREW RIGIE: ...[inaudible] and rebuild
8 New York City. So with that I'm happy to take any
9 questions and, again, thank you for your support.
10 And we urge the council, ah, to expedite passage of
11 this and for Mayor de Blasio to sign it into law
12 immediately.

13 CHAIRPERSON GJONAJ: Andrew, thank you,
14 and I want to thank you for the work that you've been
15 doing, and I'm happy to see that you have, ah, done
16 for your members in the restaurant and, ah, food
17 establishments and nightlife [inaudible] out of the
18 woods and I can't wait till we're able to open 100%
19 safely, and there is no safer environment to dine in
20 than dining in where there are, ah, protocols in
21 place, ah, that the, ah, operators of those
22 establishments are doing to ensure their diners are
23 safe. So I'm, I'm hopeful that we'll continue that
24 fight, Andrew, and we get to that 100% reopening, ah,
25 safely, which I know that we can do.

1 ANDREW RIGIE: Thank you, Mr. Chair. And
2
3 I would just add one last thing quickly, that
4 anything the council can do to urge the state
5 legislature and the governor to keep and even
6 increase the 1 billion dollars for rent relief and
7 grants to small businesses that were in both their,
8 ah, proposed budgets would be critically important.
9 We really need partnerships between all levels of
10 government to help save these businesses and help
11 save these jobs. So there's some light at the end of
12 the tunnel. We've got a long way to go, though. So,
13 ah, we need support, and again thank you.

14 COMMITTEE COUNSEL: Thank you, Andrew.
15 Next I will be inviting Andrea Bowen to testify,
16 followed by Ruth Lopez Martinez and then Paola Bueno.
17 Andrea.

18 SERGEANT AT ARMS: Time starts now.

19 ANDREA BOWEN: Thank you and good
20 afternoon, Chair Gjonaj, other council members and
21 staff. My name is Andrea Bowen and I engage in
22 government affairs and policy advocacy on behalf of
23 the New York City Network of Worker Cooperatives, or
24 NYC NOWC. I'm the local trade association
25 representing worker cooperative businesses and

1
2 democratic workplaces in the New York City
3 metropolitan area. As a member of the City Council-
4 funded Worker Cooperative Business Development
5 Initiative, or WCBDI, I'm here on behalf of the 14
6 organizations that make up initiative, the
7 initiative, asking council to continue supporting the
8 expansion of worker ownership and, ah, the FY22
9 budget and firmly into the future. Um, thank you,
10 Chair Gjonaj, for being a stalwart supporter and also
11 thanks to Council Member Rosenthal for being such a
12 great champion of this initiative. In FY22 we see
13 the restoration of WCBDI to 3.06 million dollars,
14 which is what we received in FY21, and which was a
15 15% reduction of our FY20 allocation. We recognize
16 that was, all things considered, pretty good. Um, so
17 we grateful to get what we were able to receive, um,
18 and during, we did a lot with it. Um, during the
19 COVID crisis WCBDI partners provided astounding
20 support for worker co-ops, who weathered the storm by
21 using their democratic governance of businesses to
22 maintain wages and keep businesses open. Just some
23 key successes during the COVID crisis. Um, WCBDI
24 partner-supported co-ops and client communication and
25 [inaudible] you know, so people that do things online

1 and clean you, you know, do your kinds of cleaning
2 and, you know, take care of [inaudible] make
3 different precautions, um, and we help businesses
4 [inaudible] that moment. We assisted worker co-ops
5 in assessing millions of dollars of existing small
6 business relief programs, um, implemented training
7 tailored to emerging needs, just bilingual info
8 sessions on government support with translated
9 material, um, providing occupational safety training.
10 Um, we stepped up conversions. Um, we've done an
11 owner to owner conversion hotline, um, in
12 collaboration with, um, many of our partners have
13 done this in collaboration with the mayor's office to
14 help business owners engage and, um, you know, if
15 they're considering retiring, ah, figuring out how to
16 turn their businesses over to workers, and, um, WCBDI
17 partners work with them to sort of figure out the
18 finances, how is this gonna work, make sure it's
19 gonna be a good match, um, and so, um, ah, you know,
20 WCBDI has met its TA and training goals despite all
21 of, ah, despite all of the struggles, and our many
22 partners who are here today are gonna go into deeper
23 detail about their own businesses and what WCBDI and
24 the co-op model has done to help them persevere. Um,

2 we're happy to provide any information that you, ah,
3 request and I will yield my time. Thank you so much.

4 CHAIRPERSON GJONAJ: Thank you, Andrea.

5 I'm, I'm very familiar with the work and I'm grateful
6 to you for what you're doing and continue to support
7 your organization. Thank you.

8 COMMITTEE COUNSEL: Thank you, Andrea.

9 Next I will be inviting Ruth Lopez Martinez to
10 testify, followed by Paolo Bueno, and then Graciela
11 Uraga. For Ruth's testimony she will be providing
12 her testimony in Spanish and it will be translated in
13 English by Andrea after, ah, Ruth's testimony is, ah,
14 finishes. Ruth.

15 SERGEANT AT ARMS: Time starts now.

16 RUTH LOPEZ MARTINEZ: OK. [speaking in
17 Spanish].

18 CHAIRPERSON GJONAJ: Ms. Martinez, we
19 need to translate that, so I hope the translator is
20 up to it.

21 ANDREA BOWEN: Um, good afternoon, um,
22 ah, and thank you, Stephanie, for making all the
23 translation possible. Um, ah, good afternoon to
24 committee Chair Gjonaj and distinguished members of
25 the New York City Council Small Business Committee.

1
2 My name is Ruth Lopez Martinez. I'm a member of
3 Pa'lante Green Cleaning Cooperative. We are a
4 cooperative of women and immigrants in the industry
5 of commercial, residential, and post-construction
6 cleaning. We have been in the market for five years.
7 We were born in Jackson Heights. Before the pandemic
8 we had quite considerable growth. Our worker owners
9 received fair wages with which we could solve our
10 problems in this country and help our families in our
11 countries of origin. However, it is well known by
12 all the pandemic caused a collapse in the entire
13 economy and that includes us and my cooperative,
14 Pa'lante, as well as other worker cooperatives.
15 Fortunately, in this long year of the pandemic we've
16 had the support of the WCBDI initiative, which has
17 provided us trainings to learn how to handle this
18 pandemic, giving us technical support, support and
19 customer attention and with advertising we've learned
20 to use Zoom to make our meetings between members and
21 clients. However, nothing has been enough because
22 we've lost more than 50% of our customers, which
23 means our income went down significantly. We lost
24 our physical space by not being able to pay rent
25 during this time. That's why we believe that we need

1
2 some more support to get out of the stagnation that
3 we have at this moment. In addition to WCBDI we need
4 affordable commercial spaces where we can do business
5 and serve our customers. This affordable space leads
6 us to the need for stabilized rents that businesses
7 did not leave their physical spaces because they
8 cannot afford it. We need the Commercial Lease
9 Assistance Program to continue to provide legal
10 support to small low-income immigrant-owned
11 businesses and people of color so they can stay in a
12 space especially during this time. We hope it can be
13 restored in the budget. Finally, we need more direct
14 financial support in the form of grants and
15 accessible loans for small businesses and worker
16 cooperatives. Cooperatives, like many small
17 businesses, face barriers to accessing traditional
18 loans. In this moment we need more emergency grants
19 and flexible loan opportunities so that our business
20 can continue to stay afloat in these times. I hope
21 the city can continue to support WCBDI, um, keep
22 businesses affordable leases so they are not
23 displaced, and provide more direct support for
24 cooperatives and businesses in this moment. Thank
25 you very much for the opportunity to testify.

2 CHAIRPERSON GJONAJ: Thank you, Ruth.
3 Gracias, senora.

4 COMMITTEE COUNSEL: Thank you, Ruth.
5 Next I'll be inviting Paolo Bueno to testify,
6 followed by Graciela Uraga, and then Gale Johnson.
7 Paola.

8 SERGEANT AT ARMS: Your time starts now.

9 PAOLA BUENO: Good afternoon, Chairperson
10 Mark Gjonaj and distinguished members of the
11 Committee on Small Business of the New York City
12 Council on behalf of the Workers Justice Project. I
13 want to thank you for this opportunity to testify
14 today on the importance of supporting day laborers
15 and worker-owned cooperatives in the city where
16 immigrants, ah, contribute significantly to our
17 economy. My name is Paolo Bueno and I am here
18 representing the Workers Justice Project. As an
19 immigrant myself and staff member of the Workers
20 Justice Project I feel particularly honored to speak
21 on behalf of our organization that has been for more
22 10 years supporting the creation of a stronger,
23 equal, and fair economy for our community by engaging
24 immigrant communities and working with day laborers
25 and domestic workers in all five boroughs. We

1 appreciate the New York City Council's support for
2 the Workers Cooperative Business Initiative in FY21,
3 which has allowed WJP to continue domestic workers to
4 work with [inaudible] for continuous training and
5 skill building. Last year a group of women from WJP
6 began making personal protection gear as a way to
7 help their fellow workers and to create a small
8 source of income for themselves. These women are a
9 part of the women's committee started at the WJP
10 center in Sunset Park. The women's committee has of
11 today distributed over 2000 face masks to workers.
12 The committee continues to meet and is working on
13 initiatives that support women to earn an income.
14 Additionally, many of the women who are part of the
15 women's committee secure work as domestic workers
16 through our hiring hall, which offers job
17 dispatching. This is possible thanks to the day
18 laborer workforce initiative. This citywide
19 initiative allows us as a worker center to connect
20 responsible employers by connecting them with a
21 skilled and trained workforce that is often neglected
22 in New York City's traditional workforce development
23 services. Because the employers know and trust that
24 workers can provide skilled labor and have been
25

1
2 trained and assessed, they're willing to pay higher
3 wages. The center also plays a role in [inaudible]
4 the local economy, creating over a million dollars in
5 revenue every year to increase the wages. For the
6 day laborer center workers have been able to increase
7 their salaries by 30% to 40%. We urge the council to
8 support the expansion and development of these key
9 initiatives, worker cooperative business development
10 initiative, with funding of 3.1 million in FY22 and
11 the day laborer worker initiative with funding of 3.2
12 million. It is through your enhanced support that we
13 can work on the development of new and creative
14 opportunities for immigrants in the, in the economy
15 of our city. We will continue to expand our services
16 and reach to provide more construction safety and
17 skilled business training, outreach, and education,
18 wage theft prevention, and technical assistance
19 services to developing cooperatives. Um, that is
20 all. Thank you.

21 CHAIRPERSON GJONAJ: Thank you, Paolo.

22 Thank you for testimony. Um, Stephanie, I know that
23 we've been joined by Council Member Rodriguez, and I
24 believe his hand is up. He may have a question or
25 statement that he wants to make.

1
2 COUNCIL MEMBER RODRIGUEZ: Yes, Chairman.
3 Eh, thank you for the opportunity and thank you for
4 your leadership in this committee. Eh, I want to
5 pick up on what Ruth said, eh, eh, eh, [speaking in
6 Spanish]. Eh, one thing that I want to highlight is
7 that when we did the Inwood rezoning, ah, one of the
8 piece, eh, the pieces that we include in that
9 rezoning is that in the Inwood rezoning we
10 established that if a developer is building a
11 commercial space with city funding a percentage of
12 that space will be affordable to local small
13 business. So I think that that can be a model and,
14 and I think that based on what the mayor said in, in
15 the first, [inaudible] it became the first project
16 that was done with that, with that context. So I
17 hope again that as Ruth and all the members in her,
18 eh, eh, cooperative are trying to identify how they
19 can get affordable space to maintain their small
20 businesses that all of us together from the small
21 business community continue advocating, eh, to City
22 Hall so that from now on any rezoning, any developers
23 that build commercial space if they get affordable,
24 if they get some subsidy they should provide a
25

2 percentage of commercial space affordable to local
3 small businesses. Thank you, Chairman.

4 CHAIRPERSON GJONAJ: Thank you, Council
5 Member.

6 COMMITTEE COUNSEL: Thank you, Council
7 Member. Next up we have Graciela Uraga, who will be
8 providing her testimony in Spanish, and Paolo Bueno
9 will be translating her testimony in English. And
10 then followed by, ah, after Graciela we have Gale
11 Johnson and then Marie Scalfani. Graciela.

12 GRACIELA URAGA: [speaking in Spanish]

13 CHAIRPERSON GJONAJ: Gracias, Graciela.
14 I think Paolo going to [inaudible].

15 SERGEANT AT ARMS: Time starts now.

16 PAOLO BUENO: Good morning, Chairperson,
17 um, Gjonaj and distinguished members of the Committee
18 on Small Business Services. My name is Graciela
19 Uraga. I am a member of the Workers Justice Project,
20 a Brooklyn-based workers' center, and proud member of
21 the New York City Day Laborer Coalition. Thank you
22 for the opportunity to testify today. I arrived in
23 this country in 1995. I arrived [inaudible] anything
24 and without knowing anything. In my search for a
25 decent job to be able to provide a better future for

1
2 my children, I have experienced abuse and endured
3 humiliation that no human being should live in a city
4 with so much wealth and in a city where immigrants
5 are the ones who do the work which is the most
6 difficult and important, but are very poorly paid.
7 My struggle to find a decent job where I am respected
8 and valued led me to find the Workers Justice
9 Project, a Brooklyn-based workers' center. The
10 center is my second home because I spend more than,
11 more time there than in my own home. But above all
12 this is where I found the support I need to help my
13 family move forward. The Workers Justice Project has
14 helped me empower myself, helping me find my voice,
15 regain my strength, and regain my self-esteem. WJP
16 has given me the opportunity to have access to
17 educational opportunities such as leadership
18 training, OSHA 30, SST, and many more. These
19 opportunities paved the way for me to be the owner of
20 the cooperative [inaudible]. My cooperative focuses
21 on personal protective equipment. The center
22 supports small business owners such as myself. Their
23 dedication and commitment to our success has made it
24 possible for me to have my own business. I am here
25 to request that you continue to fund the Worker

1
2 Cooperative Business Initiative. The Workers Justice
3 Project is a member of this initiative. Thank you
4 [inaudible]. Thank you for the opportunity to
5 testify and we hope that you will consider day
6 laborer centers and cooperatives as part of the
7 priorities during this year's budget negotiation
8 process. And we look forward to continuing to work
9 closely with you.

10 COMMITTEE COUNSEL: Thank you, Graciela
11 and Paola. Next we will be inviting Gale Johnson to
12 testify, followed by Maria Scalfani, and then Marvis
13 Burns. Gale.

14 SERGEANT AT ARMS: Your time starts now.

15 GALE JOHNSON: Good afternoon, council
16 members of the committee. My name is Gale Johnson.
17 I'm a worker on the, of the Hopewell Care Childcare
18 Cooperative. I'm also here on behalf of New York
19 City Network of Worker Cooperative. Hopewell Care
20 [inaudible] consists of immigrant women of color and
21 was formed to create employment, um, mutual support,
22 and a sense of pride in our workers while providing a
23 much-needed service for all communities across New
24 York City. Childcare is not a socially distancing
25 job. Ah, some workers experience challenges as a

1
2 result of the [inaudible] and so we secured small
3 grants, um, from allied organization like National
4 Domestic Workers Alliance and of course New York City
5 Network of Worker Cooperative. A grant through NYC
6 NOWC, um, was given to us through the, um, Worker
7 Cooperative Business Development Initiative, WCBDI,
8 and these grants provide training for members in Zoom
9 technology, legal support, which is given by TakeRoot
10 Justice, and, um, assisted members in industry
11 standard training as well as health and [inaudible].
12 Carroll Garden Association have been our incubator
13 and continues to support our co-op through all this
14 process. Co-op business means more direct support
15 from the city, and we believe that the city can
16 restore the Commercial Lease Assistance Program and
17 pass long-term commercial rent stabilization to
18 prevent businesses from being displaced, especially
19 in this pandemic. As co-op is extremely difficult to
20 access loans as financial support. We believe the
21 city should do more to provide grants and loans to
22 small businesses, including worker co-ops in need.
23 And for this reason we support the creation of public
24 bank so that city can invest its public dollars back
25 into communities like ours, small businesses, and we

1
2 also hope that you can support the passage of Intro
3 2099 and Intro 2031. We hope the city can work with
4 us with these efforts and thank you so much for your
5 time and thank you for this opportunity to testify.

6 CHAIRPERSON GJONAJ: Thank you, Gale.

7 GALE JOHNSON: You're welcome.

8 COMMITTEE COUNSEL: Thank you, Gale.

9 Next I'll be inviting Maria Scalfani to testify,
10 followed by Marvis Burns, and then Ahyoung Kim.
11 Maria.

12 SERGEANT AT ARMS: Time starts now.

13 MARIA SCALFANI: Good morning, everybody.

14 Thank you for inviting me to, to testify. Excuse the
15 mask. I'm actually at St. John's Hospital getting my
16 COVID shot, so that's great. I agree with everything
17 that everybody has testified and said so far.

18 However, I'd like to approach this from a different
19 angle, um, for the experience of somebody like
20 myself. I am a small business owner. There are only
21 three of us in our business. The biggest issue that
22 we have with all the state and government entities is
23 that there is no response or support when you reach
24 to get an answer, and if you do get, hear back from
25 somebody with their answer it's usually after the

1 fact or when the situation has gone to the wayside.
2 I have put in for PPE money for my small business as
3 an event planner in the corporate industry. My
4 business is 90% stopped. There are no conferences
5 going on. There is no income coming in. And I must
6 say that everybody who works for a company that gets
7 a paycheck every money and they don't have to worry
8 about, ah, great, gaining the revenue themselves to
9 get themselves paid and their family have never been
10 given the proper attention to succeed in this
11 business. I'm also noticing that as of late with
12 those businesses that have opened some of the bigger
13 stores are increasing their prices tremendously to
14 make up for the business that they lost. And I have
15 to believe there's something that the Small Business
16 Association and small business of the, the state can
17 step in and, and, and curve and help so that we don't
18 get raped by the prices increasing, so that we can
19 get some help for the landlords. I filed on January
20 29 for my PPP money. This is March 17, and I am
21 still fighting with the lenders and I've gotten no
22 response from the Small Business Administration. So
23 it's very frustrating and it's very disheartening,
24 and if it wasn't for Chair Gjonaj's office I really
25

1 don't know what I would have done or my partner would
2 have done, or how I would have fed my family. So I
3 hope those are some of the issues that you people are
4 going to address going forward, in addition to all of
5 the bigger global issues that everybody else has been
6 mentioning. Thank you for my time. I appreciate it
7 and, um, I look forward to getting things back to, to
8 normal the way they've always been.

10 CHAIRPERSON GJONAJ: Thank you, Maria.

11 Ah, thank you for testifying from within the hospital
12 as you get your COVID test, or your COVID
13 vaccination. I promise you, and if you heard the
14 testimony of the commissioner, I will get in touch
15 with him over your matters to see how we can get you
16 the additional loans and grants that you need to
17 survive this. Thank you.

18 MARIA SCALFANI: Thank you, Chair. I
19 appreciate it.

20 COMMITTEE COUNSEL: Thank you, Maria.

21 Next I'll be calling Marvis Burns, followed by
22 Ahyoung Kim, and then Karen Narefsky. Marvis.

23 SERGEANT AT ARMS: Time starts now.

24 MARVIS BURNS: [inaudible] and
25 opportunity to, to speak. Sorry, oh, OK. Yes, as I

1
2 said, my name is Marvis Burns and I'm the co-owner of
3 a family-owned small business, um, and we are a
4 holistic health practice with two locations, 30-plus
5 staff members, and thousands of customers in New York
6 and really across the country. Um, we're currently
7 in a commercial lease with, unfortunately, a slum
8 landlord in Manhattan's 125th, um, prize corridor and
9 despite, you know, myself having an MBA arguably from
10 the world's best institution, I had no clue how to
11 handle these negotiations with my first commercial
12 lease. Um, I tried to save money. I leveraged some
13 colleagues that I knew that were attorneys and they
14 understood the law. But, um, you know, they weren't
15 seasoned real estate, seasoned New York attorneys,
16 um, that focus in, in real estate and that was to my
17 detriment, um, because we went through the, the
18 contract and we had set everything up and thought we
19 were prepared. But five years later I realized it
20 was the worst mistake I think I made in the business
21 because it's issues after issues that we have to deal
22 with and unfortunately the contract says it's on us
23 as, um, you know, as the leasees and it's busted
24 pipes, we got hit with an excessive tax bill. Ah,
25 we're, we're dealing rodent issues that are not

1
2 because of us but it's because of a poor, ah,
3 facility that we operate in and it's just, it's a
4 shame as to what it is that we're dealing with and I,
5 um, you know, I now realize how important it is to
6 have organizations like TakeRoot who we're dealing
7 with as we're trying to get out of our current
8 situation and getting into a new lease and having,
9 you know, attorneys that understand that the
10 industry, and not just the industry but understand
11 these landlords, um, who have built a, a reputation
12 for the disasters that, that they put other tenants
13 through and having to look up the, do the research
14 and identify other, um, you know, tenants like myself
15 and realize that, you know, we, we don't really have
16 the power, ah, and so, you know, TakeRoot has been a
17 silver lining for us as we gear up, you know, we
18 signed this new lease and we were trying to avoid all
19 of those mistakes that we made, especially when I say
20 that, you know, this current lease is a 35-page lease
21 that we've been asked to go through. Um, New York
22 landlords have maintained like the upper hand and for
23 us, you know, to have some, um, hired help and it was
24 afforded to us through this program, I think it's to
25 our benefit and I would hope that you guys continue

2 to find the funding for organizations because it's
3 great, it's helpful, and it's much needed.

4 SERGEANT AT ARMS: Time expired.

5 CHAIRPERSON GJONAJ: Thank you, Marvis, I
6 promise that I'll be fighting to restore, ah, that to
7 the budget and, ah, to ensure that you and all the
8 other small businesses can take advantage of that as
9 business. Survive, Marvis, just survive right now,
10 that's what we need you to do.

11 COMMITTEE COUNSEL: Thank you, Marvis.

12 MARVIS BURNS: Thank you.

13 COMMITTEE COUNSEL: Next, next I'll be
14 calling Ahyoung Kim, followed Karen Narefsky and then
15 Arthur Kats. Ahyoung.

16 SERGEANT AT ARMS: Time starts now.

17 CHAIRPERSON GJONAJ: We don't hear you,
18 Ahyoung. You're muted. Nope.

19 COMMITTEE COUNSEL: Ahyoung, we can
20 return to you later, um, you can just check your
21 audio in the meantime. OK, next I'll call, ah, Karen
22 Narefsky, followed by Arthur Kats, and then Aashna
23 Singh. Karen.

24 SERGEANT AT ARMS: Time starts now.

1
2 KAREN NAREFSKY: Can you guys hear me?
3 Great. Um, thanks so much for the opportunity to
4 testify. My name is Karen Narefsky. I'm the senior
5 organizer for Equitable Economic Development at ANHD,
6 um, the Association for Neighborhood and Housing
7 Development. We're one of the city's leading policy
8 advocacy and capacity-building organizations, um, and
9 our membership consists of over 80 neighborhood-based
10 and citywide nonprofits that have affordable housing
11 or equitable economic development as a key part of
12 their mission. Um, we bridge the power and impact of
13 all of our member groups to really build community
14 power and ensure the right to finding equitable
15 neighborhoods for all New Yorkers. Ah, we're also in
16 that work a member and convener of the United for
17 Small Business New York City Coalition and the
18 Industrial Jobs Coalition. These groups respectively
19 bring together organizations from around the city
20 that provide services and lead advocacy to support
21 our commercial corridors and our industrial business
22 zones, both of which are a key part of the city's
23 economy that face consistent challenges from
24 speculation and rising rents. Um, and primarily I
25 want to ask the council today to ensure funding for

1 two key programs supported by SBS, ah, the Commercial
2 Lease Assistance Program, which many, ah, folks have
3 already spoken about, and the Industrial Business
4 Service Program. Ah, we also support the extension
5 of the personal liability protections, um, in Local
6 Law 55 to June of this year and the Worker
7 Cooperative Business Development Initiative program.
8 Um, but I'll speak a little bit more about the CLA
9 program and about the Industrial Business Zone
10 Program. Um, so the CLA program, as you all know,
11 was started in 2016 and was strongly supported by
12 advocacy from United for Small Business New York
13 City. Um, it's the only city-funded legal source,
14 ah, sorry, source of free legal assistance for small
15 business and it really provides services that other
16 consultants and legal service programs do not offer.
17 Um, and as you can tell by the variety of business
18 owners, community groups, and legal services
19 providers on this call it's really helped to
20 strengthen the ecosystem of small business supports
21 in low-income commercial corridors. Um, and as you
22 can imagine, since the pandemic hit requests for
23 assistance have gone through the roof. So we really
24 appreciate the commissioner's commitment to
25

1 maintaining the program. Ah, it would be a huge
2 mistake not to continue as businesses need to get out
3 of the pandemic, and we also really want to allow it
4 to expand so it can keep pace with the demand for,
5 um, for services and really offer those services in
6 multiple languages. Um, I also want to draw
7 attention to another sector of small business that is
8 particularly critical to the city's equitable
9 recovery, which is the industrial and manufacturing
10 sector. Um, so industrial businesses in particular
11 are playing a key role in keeping the city going
12 through the pandemic, ah, with food distribution,
13 production, ah, of personal protective equipment,
14 provision of utilities, and other essential services.
15 While the city and state actually saw a net job loss
16 in December of last year, the industrial sector has
17 added more jobs than any other sector, um, and
18 throughout the city we have over 40,000 industrial
19 businesses that are supported by eight nonprofit
20 industrial business service providers.

21
22 SERGEANT AT ARMS: Time expired.

23 KAREN NAREFSKY: Um, I'll wrap up my
24 testimony. Briefly, these nonprofits really play a
25 key role in helping to retain and grow our industrial

1 businesses, provide training and technical
2 assistance, um, and also really serve as a liaison
3 between the industrial business zones and city
4 agencies and elected officials. Ah, we'd like to see
5 those contracts, um, not just funded but also
6 restored to pre-pandemic levels as the IBSPs are
7 getting considerably more work, ah, as they scramble
8 to address, ah, the impact of COVID. So, um, again,
9 thank you for the opportunity to testify and we urge
10 the council to prioritize continued funding for the
11 industrial business service provider contracts and to
12 restore funding for the Commercial Lease Assistance
13 Program.
14

15 CHAIRPERSON GJONAJ: Thank you, Karen.

16 COMMITTEE COUNSEL: Thank you, Karen.

17 Ah, we're going to try you, Ahyoung. Is your audio
18 back?

19 AHYOUNG KIM: I think so.

20 COMMITTEE COUNSEL: Great.

21 AHYOUNG KIM: Can you hear me?

22 COMMITTEE COUNSEL: Yes, yes. So we'll,
23 we'll invite you now to testify and then Arthur Kats
24 and then Aashna Singh. Go ahead, Ahyoung. Thank
25 you.

SERGEANT AT ARMS: Time starts now.

1 COMMITTEE ON SMALL BUSINESS 86

2 AHYOUNG KIM: Thank you. Good afternoon

3 and thank you for the opportunity to testify. My

4 name is Ahyoung Kim and I am the associate director

5 of small business programs at the Asian American

6 Federation. In the past year our staff has been

7 inundated with calls from immigrant small business

8 owners asking for information or support applying to

9 assistance programs, citing lack of language access

10 and procedural assistance. Business owners called in

11 with desperation as they were lost in terms of what

12 capacity they may carry on with their livelihoods.

13 Restaurant owners reported constant harassment with

14 inconsistent and hostile inspections and with no

15 avenue to cure their violations. [inaudible]

16 business owners are discouraged from reaching out to

17 programs that provide invaluable assistance, like the

18 CLA program, out of fear that they will not be able

19 to communicate with legal counsel that city provides.

20 Webinars by city agencies are near impossible to

21 access for those who are hardest to reach. They are

22 still supposed to know all the new regulations or

23 how, else they are going to be severely punished. As

24 if all of this is not enough reason to give up, our

25 community today faces racist attacks that stoke fear

1 and kill local businesses. Horrendous incidents like
2 that of last night in Georgia confirm the immediate
3 threat our community faces and suppressed hope for
4 economic recovery. Over 60% of Asian small business
5 owners we surveyed last summer answered that they're
6 worried about anti-Asian bias or hate crimes for
7 themselves, their business, or staff. We do not see
8 enough reaction from the business side or security
9 side and from this, um, city and we hope to see, we
10 hope to see a response from the city to make sure our
11 business owners are feeling safe and given the
12 assistance they need. During the height of the
13 pandemic Asians went from filing hundreds of claims a
14 month to thousands of claims a month in terms of
15 unemployment claims. Many of these industries that
16 employ low-income Asian workers and operate as small
17 businesses are hard to hit, are hardest hit by job
18 losses. These industry are sectors like beauty and
19 nail salons, or laundromats, food services, and
20 retail. And these are also industries that face
21 difficulty in organizing to lobby for their
22 interests. In discussing how to bring up economic
23 recovery the needs and concerns from our community
24 continues to be ignored. Their feedback on
25

1 inspection practice reform has not been reflected to
2 legislative efforts like Intro 2233. No one is
3 reaching out to business groups that serve immigrant
4 small business owners for feedback or to listen in on
5 their needs. We welcome efforts like Intro 2233 or
6 7265, but without proper outreach and support our
7 community will remain in the dark and unable to
8 benefit from such protective measures. We are
9 grateful for the words of support and empathy for
10 immigrant small business owners from this committee
11 and request that this support be materializing to
12 meaningful assistance and engagement. Asian small
13 businesses accounted for about half of new economic
14 activity and half of...

16 SERGEANT AT ARMS: Time expired.

17 AHYOUNG KIM: ...[inaudible] employment
18 in New York City from 2002 to 2012, which overlaps
19 with the last recession. New York City cannot move
20 on to recovery without empowering our community and
21 failing to address their needs will only extend the
22 road to recovery to a perilous journey. With these
23 concerns, we request the council to allocate funding
24 for an Asian small business center, the [inaudible]
25 struggling to overcome systematic barriers like those

1 mentioned just now. Also I'd like to ask for the
2 council to secure and expand funding for Commercial
3 Lease Assistance Program and to ensure services are
4 available in major languages of New York City. Thank
5 you all for this opportunity to testify and for your
6 continued support. I'd be happy to answer any
7 questions and look forward to working with you
8 closely.

9
10 COMMITTEE COUNSEL: Thank you, Ahyoung.

11 Next I'll be calling Arthur Kats, followed by Aashna
12 Singh, and then Carina Kaufman-Gutierrez. Arthur.

13 SERGEANT AT ARMS: Time starts now.

14 ARTHUR KATS: Chair Gjonaj, ah, and
15 members of the Committee on Small Business. I can't
16 thank you enough for listening and talking to me.
17 This is the first night I will sleep well in months.
18 That was my small business client's response after my
19 sincerest apologies to her for not having any good
20 news to share about her legal options to save her
21 shop. My name is Arthur Kats. I'm the director of
22 the Micro Enterprise Project at Volunteers of Legal
23 Service, or VOLS. We're one of the three nonprofit
24 legal services providers who partner with SBS under
25 the Commercial Lease Assistance Program, and since

1
2 2018 CLA's five public interest attorneys have
3 provided free legal representation to hundreds of
4 lower-income small business owners in over 1200 legal
5 matters. We focus on communities that need it the
6 most - small business owners of color, women,
7 immigrants, those with limited English proficiency,
8 and businesses in outer boroughs. CLA is the only
9 option for most of our clients to work with and speak
10 with an attorney. And over the past year we've
11 adapted to become a crisis management program and we
12 get results. I urge you to ensure that funding for
13 the CLA program is restored, expanded, and baselined
14 before it expires on June 30 so that we can continue
15 to serve our existing clients and meet the nonstop
16 need throughout our city. And I'd like to share just
17 one example out of the hundreds. A tattoo business
18 spent the past decade cultivating an impeccable name
19 for itself in its industry. The pandemic struck and
20 because government orders kept personal services like
21 theirs shut for months our client accumulated six
22 figures' worth of debt arrears, ah, in rent. Despite
23 the business owner's own best efforts over the
24 ensuing eight months of negotiations their landlord
25 refused to consider any compromise whatsoever and

1
2 faced with an impasse, um, with the potential for
3 lifelong personal financial ruin the client contacted
4 SBS, was screened for CLA services, and was placed
5 with attorneys at my team at VOLS. We immediately
6 reviewed the client's lease. We advised them of
7 their options under the law and within days we
8 negotiated a lease amendment with the landlord,
9 settling the arrears. We lowered the rent for the
10 remainder of this year, 2021, and we eased
11 restrictions on the client's personal guarantee.
12 Since the beginning of the COVID crisis the CLA
13 program has seen a tenfold increase surge in request
14 for help like, just like this one. And last year the
15 program was eliminated from the budget and then re-
16 established in the fall. That created a gap in
17 service at the time when businesses needed it the
18 most. CLA is a racial justice program. It's an
19 economic justice program, and we are an eviction
20 prevention program. And with mass evictions looming
21 when the moratorium expires shortly we are today
22 again seeking your commitment to not only restore,
23 but to expand sorely needed legal services for small
24 business owners before it's too late. Lastly, on a
25 separate note, I want to strongly support the bill to

2 extend personal liability protections. We supported
3 you last summer during your initial introduction...

4 SERGEANT AT ARMS: Time expired.

5 ARTHUR KATS: ...and your first extension
6 of this bill. VOLS has fought and is fighting
7 alongside SBS and the Law Department as a friend of
8 the court to ensure that this legislation withstands
9 scrutiny and in fact I'm running as soon I'm done
10 here to go continue work on our brief to the Second
11 Circuit Court of Appeals that's due in short order.
12 So we thank you for your partnership, for your
13 service, for your support for small businesses in our
14 city, and to that end I urge that you refund, expand,
15 and baseline the Commercial Lease Assistance Program.
16 Thank you.

17 CHAIRPERSON GJONAJ: Thank you, Arthur.

18 Thank you for the wonderful work that you're doing
19 and the businesses that you are helping and ensuring
20 survive. I'm grateful to you.

21 COMMITTEE COUNSEL: Thank you, Arthur.

22 Next I'll be inviting Aashna Singh to testify,
23 followed by Carina Kaufman-Gutierrez, and then Rachel
24 Z. Aashna.

25 SERGEANT AT ARMS: Time starts now.

1 AASHNA SINGH: Good afternoon, all.

2
3 Thank you for the opportunity to testify today. I am
4 Aashna Singh. I am the program associate for the
5 Community and Economic Development Program at
6 Brooklyn Legal Services Corporation A. We represent
7 low- and moderate-income individuals and families
8 throughout New York City. Our clients live in
9 rapidly gentrifying neighborhoods, where many
10 residents and small business owners have been
11 displaced and are facing displacement and harassment.
12 Brooklyn A has had the honor to serve as the lead
13 organization implementing the Commercial Lease
14 Assistance Program in close collaboration with
15 Volunteers of Legal Service and TakeRoot Justice. We
16 also work intimately with 10 community-based
17 organizations with close ties to neighborhoods hit
18 hardest by the pandemic, two in each borough to
19 ensure outreach and education. The Commercial Lease
20 Assistance Program provides free high-quality legal
21 counsel to small businesses for transactional
22 services. Since its inception the Commercial Lease
23 Assistance Program has now addressed over 1400 legal
24 matters, the demographics of whom consist of business
25 owners from all five boroughs, every City Council

1 district, and whom are 99% low-income, 75%
2 individuals of color, 64% immigrant, 51% women, 33%
3 non-native English speaker, 20% sole proprietors, and
4 the majority with five or fewer employees. As the
5 program associate I conduct intake for the program.
6 I speak to many business owners daily who need legal
7 assistance. The demand for this program since the
8 onset of COVID-19 in New York City has exponentially
9 increased. Our already-vulnerable business owners
10 are facing unprecedented additional adversity. Every
11 day I hear from business owners struggling to pay
12 rent, racking up debt over the last several months,
13 and more recently increased landlord harassment.
14 Often they just want to know what their rights and
15 obligations are under the pandemic circumstances. On
16 top of facing a multitude of difficulties, hiring a
17 private attorney is an expense that our city's small
18 business owners simply cannot endure, especially in
19 this time. The Commercial Lease Assistance Program
20 is the only city-funded free legal service program
21 that provides full legal representation for small
22 businesses. It is crucial that we secure the
23 continuity of this program into the next fiscal year
24 and beyond to keep it as a dependable resource for
25

1
2 our city's business owners, especially as we recover
3 from the ongoing impact of COVID-19. So today I come
4 with an ask and echo my colleagues who have spoken
5 today to support the restoration, but also the
6 expansion and stabilization of our program's funding
7 to also allow representation of nonprofit and to get
8 compensated for legal education, as well as the ask
9 to extend the personal liability bill protection.
10 Again, I ask for the continued support and also
11 advocacy to expand funding and ensure the permanence
12 of the Commercial Lease Assistance Program. Thank
13 you.

14 CHAIRPERSON GJONAJ: Thank you. Thank
15 you for the wonderful work. That number was 1400, is
16 that what you said? God bless you. Thank you.

17 COMMITTEE COUNSEL: Thank you, Aashna.
18 Next I'll be inviting Carina Kaufman-Gutierrez to
19 testify, followed by Rachel Z, and then Kathleen
20 Reilly. Carina?

21 SERGEANT AT ARMS: Time starts now.

22 CARINA KAUFMAN-GUTIERREZ: Thank you, and
23 good afternoon, Chair Gjonaj and all who are present
24 today. My name is Carina Kaufman-Gutierrez and I am
25 the deputy director of the Street Vendor Project,

1
2 which is a member of the United For Small Business
3 Coalition. SVP is a membership-based organization
4 working to improve the working conditions of the
5 approximately 20,000 people who sell food and
6 merchandise on the streets and sidewalks of New York
7 City. Um, we were founded in 2001 and we strive to
8 improve and expand vending as a viable, lawful
9 employment option for immigrants, military veterans,
10 and other entrepreneurs. Um, I'm first asking the
11 council to restore and expand funding for the
12 Commercial Lease Assistance Program in this budget so
13 that brick-and-mortar small businesses can receive
14 the necessary free legal support needed, as many of
15 my colleagues have highlighted as essential today.
16 Um, additionally, I want to share that SVP is the
17 only organization in New York City that works
18 exclusively with street vendors, and with a staff of
19 six we have really been the only place where
20 thousands of street vendors reach out to for
21 everything from education on street vending rules and
22 regulations to small business development and loan
23 applications, registering for tax IDs, filing sales
24 tax forms, immigration assistance, you name it, we
25 are the one-stop-shop for street vendors with a very

1 small staff. Um, we are reaching to you because we
2 have, ah, a long history working within the community
3 and know the intricacies of the vending system and
4 provide services in five different languages. Um,
5 SVP appreciates the critical support that we have
6 received from New York City Council in previous years
7 to provide these critical services and we
8 respectfully request for New York City Council to
9 further development and expand, um, the essential
10 multilingual services that we offer. Um, vendors are
11 our city's smallest business owners, who provide
12 fresh, affordable food and merchandise, um, across
13 the five boroughs and contribute nearly 293 million
14 dollars to the city's economy each year. Um, as the
15 only organization that focuses on street vendors, our
16 services have been in extremely high demand
17 throughout COVID-19. We have connected nearly 3000
18 street vendors to resources and information about
19 housing, food access, and loan and grant
20 opportunities, just within the last year. Um, in
21 addition to providing, um, these critical resources
22 we are asking City Council to support, um, the
23 increased growth of our outreach and education
24 specialist team, um, which connects vendors to our
25

1
2 small business consultation program and an
3 environmental justice program as well. Through our
4 consultation program we equip members with tools,
5 resources, and skills needed to grow their
6 businesses, including small business legal services,
7 financial literacy, micro loans, e-payments, um, and
8 personal finance management. Additionally, through
9 our environmental justice initiative we aim to reduce
10 the environmental footprint of our city's...

11 SERGEANT AT ARMS: Time expired.

12 CARINA KAUFMAN-GUTIERREZ: ...of our
13 city's street vendors, um, helping vendors adopt
14 waste management practices, um, that minimize the use
15 of foam and plastics and maximize recyclable items.
16 Um, thank you very much for your time, and, ah, happy
17 to answer any questions. Thank you.

18 CHAIRPERSON GJONAJ: Thank you, Carina.

19 COMMITTEE COUNSEL: Thank you, Carina.

20 Next I'll be inviting Rachel Z to testify, followed
21 by Kathleen Reilly, and then Abigail Ellman. Rachel.

22 RACHEL Z: Good afternoon...

23 SERGEANT AT ARMS: Time starts now.

24 RACHEL Z: Oh, sorry, thank you. Good
25 afternoon, Chair Gjonaj and members of the Committee

1 on Small Business. Here's another reality of what's
2 going on in our community due to the pandemic. Many
3 small landlords like us are barely surviving COVID
4 this year. Small landlords are small businesses, too
5 and, ah, we're not like the giant corporate landlords
6 that own many, many buildings throughout the boroughs
7 of New York City. We've been providing rent relief
8 to our tenants in need because we believe that our
9 city will rebound. As property owners of two
10 buildings in Williamsburg, Brooklyn, we really have a
11 terrible situation there, as do many small landlords
12 in our community and in other areas of Brooklyn, Bed-
13 Sty and the Bronx, for example. We got an inspection
14 on December 29, 2020, that was mandated by Local Law
15 152, which this committee, um, created. And now the
16 city expects us to make repairs in this report by our
17 plumber by April 15, or latest June 30, or we get a
18 \$10,000 fine per building. So now we're about to get
19 penalized \$20,000 by the DOB unless we come up with
20 \$45,000, which is debt service of \$1300 a month, um,
21 you know, to complete gas line replacement within six
22 months of receiving the inspection results. This
23 year we kept all of our tenants in their homes. The,
24 we have the 20 sited store, a really beautiful shop,

1
2 we kept our musicians, we kept our video artists and
3 the regular working people. We reduced our rents by
4 half without being negotiated with. We offered, um,
5 leniency. We are not collecting arrears and we've
6 done everything we could possibly do. But if the
7 tenants default we would lose our home and our life's
8 work and investments. As SBS, ah, Commissioner
9 Jonnel Doris stated earlier in this meeting, fines
10 and fees must be reduced to make New York City more
11 conducive to businesses who is, who have invested in
12 our neighborhoods. The pandemic created a situation
13 where people are out of work. Do you want to read
14 this?

15 OMAR HAKEEM: Oh, sure. Ah, these people
16 have had a tough time keeping up, ah, with their rent
17 and monthly bills, as we all know. Ah, Rachel and
18 myself, my name is Omar Hakeem, by the way. We are
19 touring musicians and homeowners. And we haven't
20 been able to work either, ah, due to the COVID
21 restrictions. Ah, we don't have our, our normal
22 concert touring income nor studio work. As a matter
23 of fact, ah, we just borrowed on credit cards in
24 order to keep, ah, one of our properties safe, about
25 \$85,000 on emergency repairs to a property on Grand

1 Street, and we're now struggling to pay those things
2 with credit cards. And our other tenants are
3 suffering, and three apartments are about half rent
4 and another one is three months behind. So, you
5 know, again, our idea as we've been helping our
6 tenants with our goal is to keep everybody safe, keep
7 everybody where they are, so that we can get past
8 this. But on...

10 SERGEANT AT ARMS: Time expired.

11 OMAR HAKEEM: OK. Many of the, ah, many
12 of the tenants have received a COVID hardship letter.
13 I'm gonna try to wrap this up now. Um, what we're
14 seeking and we're hoping that the, that there would
15 be a revision to the Local Law 152 and when I'm
16 thinking in light of the one in two-family properties
17 that are already exempt, we seek an exemption for
18 these, ah, buildings that are three- and four-
19 families as well. Ah, we're also looking for
20 funding. I, I heard earlier that there's a
21 possibility of no-interest loans and grants and
22 things like that. Ah, so thank you very much for,
23 for hearing us and, um, we really appreciate this
24 time. Thank you.

1
2 CHAIRPERSON GJONAJ: Rachel and Omar,
3 thank you for testifying and for sharing, ah, your
4 hardships with us. Um, I'm going to get my phone
5 number to you. Um, I'm sure that we have your email,
6 somehow that way you can stay in touch and I can help
7 figure out how you're going get through this
8 compliance issue, and hopefully, ah, help you get a
9 little bit more time and the funds for your loan or
10 grant program that will help you make those
11 improvements.

12 OMAR HAKEEM: Fantastic, thank you.

13 RACHEL Z: Thank you.

14 CHAIRPERSON GJONAJ: Thank you for
15 working with your tenants. So there are landlords
16 out there that do work with their tenants. Could you
17 imagine that?

18 RACHEL Z: Yeah, we need stewardship from
19 the, from the landlord side, you know.

20 CHAIRPERSON GJONAJ: Thank you, thank
21 you.

22 MODERATOR: Hello. My name is Noah
23 Meixler, policy analyst to the Committee on Small
24 Business. And I will be taking over moderating
25 duties for this hearing. I will next be calling on

1 Kathleen Reilly to testify. After Kathleen Reilly I
2 will be calling on Abigail Ellman and then Micaela
3 Skoknic. Kathleen.

4
5 SERGEANT AT ARMS: Time starts now.

6 KATHLEEN REILLY: Thank you, everyone.

7 My name is Kathleen Reilly, from the New York State
8 Restaurant Association. Um, thank you so much for
9 holding this hearing today. Thank you to Council
10 Member Rivera for sponsoring the additional extension
11 of the personal liability protections. NYSRA is
12 wholeheartedly in support of extending these
13 protections. Um, so the law which prevents personal
14 liability provisions in commercial leases from being
15 enforced against COVID-related defaults has provided
16 both protection and peace of mind to New York City
17 restaurants over the last year, and without
18 intervention it would expire at the eighth month. We
19 recognize the protections have already been extended
20 before and while that new date seemed reasonable back
21 in September the holiday surge of COVID-19, the
22 second shutdown of indoor dining, and the timelines
23 for vaccination and the Federal Restaurant
24 Revitalization Fund are all contributing to the
25 current need for a second extension. Um, the

1 [inaudible] is widely popular among our membership
2 and operators in New York City. The holiday surge of
3 COVID-19 which triggered a second shutdown of indoor
4 dining in New York City represented a major setback
5 in the road to recovery from the pandemic that we did
6 not foresee in September. This winter has been
7 incredibly difficult for restaurants as outdoor
8 dining has been severely limited by the weather and
9 even increases in take-out and delivery failed to
10 make up the difference. In a recent survey we
11 conducted in partnership with the National Restaurant
12 Association we found that increased take-out and
13 delivery orders only for under 30% of lost on-premise
14 business for most restaurant operators. The losses
15 of the restaurant industry over the last year are
16 immense and restaurants are still in a vulnerable
17 position at this point. Looking forward, the ongoing
18 vaccination effort and the recent passage of the
19 federal stimulus, which includes the Restaurant
20 Revitalization Fund, seem poised to make a difference
21 for our operators. While restaurant employees
22 themselves are currently thankfully eligible for
23 vaccines at this point that's just one piece of the
24 puzzle when it comes to scaling up consumer
25

1
2 confidence necessary for business to return to
3 normal. In the next few months as more and more New
4 Yorkers are vaccinated we expect that confidence to
5 rise. Um, beyond the vaccination process there's
6 also the anticipation of receiving an influx of
7 federal [inaudible] from the Restaurant
8 Revitalization Fund in the coming months. While the
9 stimulus has been passed and signed into law we do
10 still expect some friction and lag between now and
11 when money is actually received by restaurant
12 operators. Thankfully, President Biden has indicated
13 that he wants to prioritize and expedite getting this
14 fund up and running, but even so between turnover at
15 SBA and the likely sort of growing pains of creating
16 a brand-new program our partners at the National
17 Restaurant Association predict funds will be
18 distributed by May at the earliest. So we eagerly
19 anticipate our operators receiving those funds. That
20 being said, I also want to acknowledge that the total
21 available money, which is 28.6 billion, is less than
22 12% of the estimated 240 billion that the industry
23 nationally lost in 2020. So...

24 SERGEANT AT ARMS: Time expired.

1
2 KATHLEEN REILLY: ...we ask for the
3 passage of funds. We want to remain realistic at the
4 same time about what it will mean for the recovering
5 restaurant industry of New York City. [inaudible]
6 say three more months of personal liability
7 protection would be a really meaningful way for the
8 city to assist the restaurant industry. We really
9 appreciate you considering this extension and we are
10 eager to collaborate with you all in the future.
11 Thank you.

12 CHAIRPERSON GJONAJ: Thanks, Kathleen.
13 I'm grateful to you and all that you do [inaudible].
14 Side by side, Kathleen, we'll get there.

15 MODERATOR: Thank you. I will next be
16 calling on Abigail Ellman to testify. After Abigail
17 Ellman I'll be calling on Micaela Skoknic and then
18 Jesse Galvez. Abigail.

19 SERGEANT AT ARMS: Time starts now.

20 ABIGAIL ELLMAN: Thank you very much,
21 Chairman Gjonaj and members of the committee for the
22 opportunity to testify. My name is Abigail Ellman.
23 I'm the director of planning and development at the
24 Cooper Square Committee, a community development
25 organization in the Lower East Side of Manhattan. We

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2 work with area residents to preserve and develop
3 affordable housing and community and cultural spaces
4 so that the Lower East Side remains racially,
5 economically, and culturally diverse, and of course
6 part of that work is engaging and working with small
7 businesses to form an essential part of the cultural
8 fabric of the neighborhood. Um, as some of my
9 colleague in United for Small Business NYC have asked
10 already, I'm asking for the council to restore and
11 expand funding for the Commercial Lease Assistance
12 Program in this budget, so that small businesses can
13 receive necessary free legal support, and further we
14 recommend extending the personal liability
15 protections as introduced by Council Member Rivera.
16 Um, Cooper Square Committee has worked as community
17 partners involved in the CLA program since its
18 inception in 2018, and since that time, um, we have
19 seen hundreds of small businesses owners benefit from
20 the services that are, ah, provided, the majority of
21 whom are people of color, immigrants, and women. Um,
22 since the beginning of the COVID-19 pandemic we've
23 seen a surge in the number of businesses needing
24 lease negotiation assistance. Earlier in this, ah,
25 hearing we heard from Kunsang Kelden of [inaudible],

1
2 one of the community, ah, members that we work with,
3 one of the small businesses that we've worked with,
4 um, and I think later in this hearing we'll hear from
5 Mr. Jesse Galvez of J. Antonio Gallery. So I won't
6 reiterate their testimony, but in general the top
7 concern that businesses come to us with is
8 renegotiating rent. These negotiations, ah, involve
9 an individual small business leaseholder and a
10 powerful property owner, and free legal services for
11 commercial tenants provide an essential piece of
12 support to what would otherwise be a grossly unequal
13 negotiation. Um, as has also been stated, last year
14 the program was eliminated from the budget and then
15 reestablished in fall 2020, creating a gap in
16 services, and I remember at that time businesses were
17 coming to me, ah, needing support and, um, you can
18 just imagine how disruptive that was to those
19 businesses who were really looking for support and
20 there was no clarity about what was happening with
21 the program. So, um, we must avoid a repeat of that
22 sort of, ah, removing and replacing the funding.
23 It's just too vital a source of support for
24 businesses. So, again, we ask the committee to, um,
25 renew, expand funding for the CLA program in the

1
2 fiscal year 2022 budget, um, after all this is a
3 program that has seen a tenfold increase in requests
4 for help, and to push for permanent baseline funding
5 for the program in the future. Thank you.

6 CHAIRPERSON GJONAJ: Thank you, Abigail,
7 and I hear you loud and clear. I'm grateful to you.

8 MODERATOR: Thank you. I will next be
9 calling Micaela Skoknic to testify. After Micaela
10 Skoknic I will be calling on Jesse Galvez, and then
11 Olympia Kazi. Micaela.

12 SERGEANT AT ARMS: Time starts now.

13 MICAELA SKOKNIC: Thank you. Good
14 afternoon, Chairman Gjonaj and members of the Small
15 Business Committee. Thank you for the opportunity to
16 testify today. My name is Micaela Skoknic. I am the
17 industrial programs manager of Southwest Brooklyn
18 Industrial Development Corporation. SBIDC is a four-
19 decade-old nonprofit supporting industrial businesses
20 and workers along the working waterfronts of Sunset
21 Park, Red Hook, and Gowanus. I am asking the council
22 to restore and expand funding for the Industrial
23 Business Service Provider Program in this budget so
24 the businesses in IRBC can continue to thrive, grow,
25 and help lead a more just economic recovery from the

1 pandemic. As SBIDC our organization provides free
2 technical assistance, workforce development services,
3 financing assistance, M/WBE certification, business
4 planning, succession planning, so that industrial
5 firms can continue to do businesses, to continue to
6 do business in Brooklyn. In a city where affordable
7 and accessible industrial land is scarce IBSPs are a
8 key component to business retention, strengthening a
9 sector that pays higher wagers and offers more career
10 opportunities to a workforce that is 80% people of
11 color and 50% foreign born. Additionally, these
12 companies are key to the city's ability to respond to
13 emergencies. Here's an example. This year we
14 helped a small garment manufacturer gain a contract
15 with the federal government to pivot and create PPE.
16 We also helped secure two loans to be able to hire 20
17 more people for their production. This business and
18 our assistance were both critical in the COVID
19 recovery strategy. In the last 12 months SBIDC has
20 provided free technical assistance to over 380 firms.
21 SBIDC and our fellow IBSPs have worked tirelessly to
22 manage and connect businesses to federal, state, and
23 city products, including PPE, PPP, IDL, New York
24 Forward Loan, small business continuity loan, and LMI
25

1
2 storefront loan. Every year our scope of services
3 have increased along with a demand for assistance
4 from small industrial companies and entrepreneurs,
5 yet this increase in services has not come with an
6 increase in budget. Appropriate levels of funding
7 for the IBC program will ensure that we are able to
8 serve the many businesses that rely upon us for
9 support. Industrial businesses keep New York City
10 running, provide opportunities for upward mobility,
11 and are essential to an equitable recovery of COVID-
12 19. Thank you so much.

13 CHAIRPERSON GJONAJ: Thank you, Micaela.
14 Grateful to you, loud and clear.

15 MODERATOR: Thank you. I will next be
16 calling on Jesse Galvez to testify. After Jesse
17 Galvez I will be calling on Olympia Kazi and then
18 Leah Archibald. Jesse.

19 SERGEANT AT ARMS: Time starts now.

20 JESSE GALVEZ: Hi, can you guys hear me?
21 I think you can hear me, right?

22 CHAIRPERSON GJONAJ: Yes.

23 JESSE GALVEZ: My name is Jesse Galvez
24 and I'm one of your small businesses down in the
25 Lower East Side. And, ah, I've been in business

1
2 since 1975. Ah, whereas, whereas, deposition,
3 amendment, complaints, all those words, they don't
4 mean anything to me. I'm not a lawyer. Ah, these
5 words were on a proposal sent from my landlord who
6 wanted me to postpone my rent, not to forgive it, but
7 just to postpone it. And like I'm listening to all
8 these people. We've all had the same trouble. The
9 landlords never heard of COVID-19. They didn't, you
10 know, I mean, it's just, give us the money, it's due,
11 it's in your lease, and that was it. And it really
12 struck fear in my heart and, ah, I'm a great
13 retailer. I'm a very good watchmaker. I'm a
14 fantastic artist. I am your best friend. But I am
15 not a lawyer, ah, and if, if it wasn't for reaching
16 out to TakeRoot Justice I would be closed right now,
17 because there was no business, no income, no
18 customers. We all know this. But apparently some of
19 the real estate people in this city, they never heard
20 of it. So like myself and many other people who
21 already testified, we were all on the hook to pay
22 this rent. Ah, I am so grateful to have a program
23 like TakeRoot Justice. It doesn't make any sense to
24 take their money away when you say you need us as a
25 small business. You want us to be your neighbors.

1
2 You want to be able to come in and get a shopping bag
3 or go to the bathroom. Can you hold my dog while I
4 run upstairs, I mean, we do, we are part of your
5 family. So why would you take legal assistance away
6 from the small businesses? You need to extend it.
7 I, I don't, this is a wonderful time to be able to
8 speak to people just on a person-to-person level.
9 [speaking in Spanish] I say you'll [speaking in
10 Spanish]. You guys are the council. You are city.
11 We need our small businesses. I see it on the bus,
12 Shop Local. Don't take the money away from those
13 organizations that are helping the small businesses.
14 I started in 1975 and I started with a small lawyer
15 and a small accountant, and over the years all those
16 things just evaporated. My savings were being used
17 to keep the place open. I did not close. I did not
18 go under, and they helped me renegotiate a lease that
19 was [inaudible].

20 SERGEANT AT ARMS: Time expired.

21 JESSE GALVEZ: I thank you very much for
22 hearing me out and I love everyone who's testified.
23 Thank you.

24 CHAIRPERSON GJONAJ: Jesse, thank you,
25 [inaudible] your passion and it was heartwarming, my

1
2 dear friend, and this is not something that the City
3 Council wanted. We argued this point last year.
4 They removed the funding. We had to negotiate to put
5 it back in. I'm not sure why City Hall does this and
6 why did the administration take this position. The
7 Commercial Lease Assistance Program is an important
8 program. There's no reason why it shouldn't be
9 streamlined, meaning that it should be a permanent
10 line item in the budget so we don't do this
11 [inaudible]. Ah, we play with the organizations and
12 obviously those that are impacted when we look at
13 [inaudible] and it's not so. Thank you, Jesse.
14 Thank you, my dear friend.

15 JESSE GALVEZ: Thank you.

16 MODERATOR: Thank you. I will next be
17 calling on Olympia Kazi to testify. After Olympia
18 Kazi I will be calling on Leah Archibald and then
19 Ayanna. Olympia.

20 SERGEANT AT ARMS: Time starts now.

21 OLYMPIA KAZI: Ah, can you hear me? Yes?
22 Great. I must say it's a tough act to follow Jesse.
23 But I'm gonna do my best. So, you know, um, I guess
24 I'm a frequent flyer in this committee. Um, my name
25 is Olympia Kazi. I'm one of the founding members of

1 the New York City Artist Coalition and the Music
2 Workers Alliance, and, ah, the New York City Artist
3 Coalition is part of United for Small Business
4 Coalition, and you heard from so many of us. So now
5 you know and you also said it yourself, commercial
6 lease assistance needs to stay, needs to be
7 permanent, needs to be extended and expanded.
8 [inaudible] right now nonprofits don't qualify for
9 those services. Let's make sure right away that
10 nonprofits qualify, because this is what I want to
11 talk about. Arts and culture organizations, venues
12 and nonprofits, are commercial tenants and are small
13 businesses, and this is the hardest hit sector right
14 now. So, ah, I mean, I hope it doesn't mean that you
15 don't care, Chair Gjonaj, the fact that you just
16 [inaudible] but, you know, artists are hurting and
17 our spaces are closing forever. And we're gonna
18 need, ah, for sure for you and the City Council to
19 extend the personal liability guarantee protections
20 and we are gonna need to make sure that we do have
21 programs like CLA and also continued support for
22 worker cooperative business development in the city.
23 Now, I also serve as the nightlife advisor for, ah,
24 along with Andrew Rigie, who spoke earlier, and
25

1
2 Andrew made an appeal to you about the most important
3 concern of a lot of businesses. That is rent, rent,
4 rent. Right now, thanks to the work of many of the
5 people who testified here today we do have a billion
6 dollars. Half of it is gonna be for commercial rent
7 relief and half of it for grants. So please we want
8 you to unite your voice to, ah, you know, the support
9 of this and make sure that the state keeps those
10 funds there for small businesses. But there is also
11 something that you, and also you can do, and this is
12 give us a hearing for the commercial rent
13 stabilization bill, Intro 1796. We've worked on
14 that. The USBNYC coalition has worked on that for
15 two years and it sits on your committee, and you can
16 give us a hearing, because even if the businesses
17 that we're working with and are surviving, they were
18 hand-to-mouth before because of how exorbitant the
19 rent increases when the lease were up. And you see
20 Jesse moving his head. That's the reality. We need
21 commercial rent stabilization because small
22 businesses cannot plan for their future. So if we
23 want a future for commercial, ah, for, you know,
24 small businesses and for commercial tenants we need
25 to start discussing seriously commercial rent

1
2 stabilization that also has at the table people like
3 Rachel Z, who is a member of Music Workers Alliance,
4 my group, and we know, we know that there are good
5 small landlords and want to work along with them, but
6 we do not want to allow the predatory landlords to do
7 what they've done and they've ruined the small
8 businesses so far. So please give us a hearing and
9 thank you for everything that you do.

10 CHAIRPERSON GJONAJ: Thank you, Olympia,
11 and you did a great job following up after Jesse.
12 That was like left hook and a right hook. So loud
13 and clear, Olympia. Thank you.

14 MODERATOR: Thank you. I will next be
15 calling on Leah Archibald to testify. After Leah
16 Archibald I will be calling on Ayanna. Leah.

17 SERGEANT AT ARMS: Time starts now.

18 LEAH ARCHIBALD: Hi, my name is Leah
19 Archibald and I'm the executive director of
20 Evergreen. We're the local development corporation
21 that works with businesses in industrial north
22 Brooklyn to help them grow so we can keep working-
23 class jobs in our community. Like, um, my friend
24 Micaela, who testified earlier, we, um, are a
25 recipient of an IBSP grant. We're an industrial

1 business services provider. We've been serving this
2 area on a contract like that for almost 40 years
3 since, ah, the, the program's original inception.
4 Um, what I'd like to do today even though I, I
5 submitted written testimony that, um, talks at great
6 length about the work we did in the before times,
7 before COVID, and, um, what I'd like to do just in,
8 in my oral remarks is to touch on a lot of the work
9 our organization has done to help our local
10 manufacturers during, um, this, the whole time of
11 COVID. Um, you know, um, I also would like, ah, to
12 request that funding be restored to pre-pre-pandemic
13 levels and of course if there's anything in the
14 stimulus package that's targeted at New York City
15 manufacturers, um, it would be so great to be able to
16 get resources out to them because I think if COVID
17 taught us any lessons it is that a vibrant local
18 industrial sector is important not just for economic
19 development, but it's an imperative to ensuring
20 public health and welfare. You know, by facilitating
21 an uninterrupted food supply for the city and
22 demonstrating your ability to produce protective gear
23 for essential workers on short notice, the industrial
24 sector has proven equally crucial in good times and
25

1 bad. Um, north Brooklyn is home to over 1200
2 industrial businesses with over 15,000 employees.
3 The vast majority of these businesses are suffering.
4 Most of them had to suspend operations, um,
5 particularly at the beginning of COVID, and
6 furloughed many of their employees during the shelter
7 in place. Since so much of the manufacturing
8 workforce lives locally the economic health of these
9 businesses is directly related to the economic health
10 of the local residential community. Um, Evergreen
11 has adjusted the services we've been providing to our
12 businesses since we last sat in the seats in our
13 office on March 13, 2020. Um, so generally speaking
14 our COVID-related business assistance includes
15 helping businesses apply for direct relief from city,
16 state, and federal grant and loan programs, daily
17 crisis communications with the small businesses, um,
18 which is really kind of, um, the most important
19 thing. Um, we do, ah, we used to do a weekly e-
20 blast...

22 SERGEANT AT ARMS: Time expired.

23 LEAH ARCHIBALD: We turned it into daily.

24 OK. And that was key, um, for many of our businesses
25 to be able to find out, ah, about resources. Um, I

1 will wrap it up with that. Um, informational
2 webinars, research and reporting, um, and aggregating
3 and promoting employment opportunities, and so much
4 more. Um, thank you very much, ah, for your
5 attention. My written testimony goes over in great
6 detail the other things that we've been help our
7 manufacturers do. Thanks so much.

9 CHAIRPERSON GJONAJ: Thanks, Leah. I'm
10 looking forward to reading your testimony. Grateful
11 to you.

12 MODERATOR: Thank you. I will next be
13 calling on Ayanna to testify. Ayanna.

14 SERGEANT AT ARMS: Time starts now.

15 AYANNA: Hello. My name is Ayanna Concy.
16 Um, I'm [inaudible]. I live in the Bronx, New York.
17 I'm currently a student at Hunter College. Um, I'm
18 actually a part of [inaudible], a foster care agency,
19 and with them we have a program called FairFutures.
20 Um, right now I have over a 3 point on GPA in
21 college. I'm a second year student, and none of this
22 would be possible without the guidance of my
23 FairFutures coach, Ms. Carol. She helped me a lot
24 with, um, looking at colleges, getting in to
25 different colleges. And I have many aspirations to

1
2 become a lawyer, things of that nature, and she's,
3 she really helped a lot, especially through COVID.
4 She's been there with my mental, mental support, and
5 I think FairFutures is something that is very, very
6 important to help me through college, and I think
7 that it's something that needs to continue to be, to
8 continue to be funded for many other [inaudible] that
9 are just like me. Thank you for allowing me to
10 testify today.

11 CHAIRPERSON GJONAJ: Thank you, Ayanna.
12 Grateful to you for participating. I encourage you
13 to participate on these hearings. Ah, we need, we
14 need to hear more from our, ah, teenagers and, um,
15 Bronxites in particular. Grateful to you. Continue
16 doing well in school. You are our future.

17 MODERATOR: Thank you. If we have
18 inadvertently missed anyone who is registered to
19 testify today and is yet to be called, please use the
20 Zoom raise hand function and you will be called on in
21 the order that your hand was raised. Seeing none, I
22 will now turn it over to Chair Gjonaj to offer any
23 closing remarks.

24 CHAIRPERSON GJONAJ: Thank you, Noah.
25 And I want to thank all of you who took the time out

1
2 to participate in today's hearing and discussions.
3 Your input is extremely valuable. Um, what you help
4 us do is take the issues that you bring to our
5 attentions and your concerns and we hope to build a
6 better budget from it. So your testimony becomes a
7 part of this record, which will help shape how we end
8 up shaping our budget. I am grateful to you and I
9 want to thank all of those small business owners, um,
10 that have stuck it truck, ah, that have really put
11 on, ah, a yeoman show, ah, by continuing to fight to
12 survive and to hope we get through this. I know that
13 we're gonna come out stronger on the other end, so
14 today it's all about survival and we'll all thrive
15 later. God bless you all and thank you so much.
16 This will end our hearing on the Small Business
17 Committee, the budget. [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 May 30, 2021