

**New York City Economic Development Corporation**  
**Testimony of Interim President & CEO Jeanny Pak**

New York City Council, Committee on Economic Development  
Preliminary Budget Hearing – Economic Development  
March 17, 2026

**Introduction**

Good morning, Chair Maloney, and members of the Economic Development Committee.

My name is Jeanny Pak, and I am currently serving as the Interim President and CEO of the New York City Economic Development Corporation, as well its Chief Financial Officer. I am here today with my chief of staff, Jennifer Montalvo, Shehila Stephens, Executive Vice President of Equity and Community Impact, Joshua Kraus, Chief Infrastructure Officer, and Anton Fredriksson, Senior Vice President and Head of Ports, Waterfront, and Transportation.

I am excited to share the progress we have made over the last year. We know that to make our city more affordable and livable, New York City needs a vibrant, inclusive, and globally competitive economy. At EDC, our mission is to build just that. Our work touches every corner of the five boroughs, driving economic development and growth.

We are incredibly excited to continue and advance this work under Mayor Mamdani, Deputy Mayor for Economic Justice Julie Su, and all our agency partners in city government.

EDC has maintained a strong dedication to promoting equitable economic development across the five boroughs working to ensure that our prosperity reaches every New Yorker who calls our city home. We have long integrated principles of economic justice throughout our projects and initiatives. From developing and building thousands of units of affordable housing to supporting increased economic mobility, MWBE's, and diverse entrepreneurship, to helping businesses open their doors and hire locally, to creating jobs that pay well and offer security, to redeveloping assets and neighborhoods so New Yorkers have cleaner, safer and greener livable spaces, our projects have sought to expand opportunity and growth across the five boroughs. We continue this work today.

While my title may be interim, we have already hit the ground running on a number of different initiatives under the Mamdani Administration including launching an RFP last month for modular restrooms across New York City, which will expand access to public bathrooms.

We are also in conversations with the administration on how EDC can support the public groceries initiative, across the five boroughs increasing food affordability to all New Yorkers. All of our efforts are guided by and implemented through four strategic pillars.

## **1) Building Neighborhoods as Places to Live, Learn, Work, and Play**

At EDC we are committed to making neighborhoods places where New Yorkers can live, learn, work, and play. This means everything from planning affordable housing projects that support families staying in New York City, fostering industries of the future to promote job growth throughout the five boroughs, constructing open spaces for children to play, and partnering with local communities and cultural organizations to grow community-oriented facilities and programming.

At EDC we do projects big and small throughout the five boroughs. I will now take you through a quick tour of the five boroughs and hit on some of the work we are doing for New Yorkers.

### **Bronx**

Starting in the Bronx, last October, our ambitious plan to transform Kingsbridge Armory was approved by the City Council. From a training ground for troops during the first World War to distributing supplies after Hurricane Sandy and during COVID-19, Kingsbridge Armory has served our city and the people of the Bronx for generations. Backed by \$216 million in city, state, and federal investments, this transformation of the Kingsbridge Armory will deliver 500 units of 100 percent permanently affordable housing, so more families and working people in the Bronx have an affordable home. In addition, the redevelopment will deliver a state-of-the-art venue space for entertainment, recreational, cultural, community and commercial spaces as well as an industrial manufacturing space to the neighborhood, making it a worldclass destination for entertainment, work and play in our city. And importantly it will create 3,600 jobs, with a focus on local jobs, delivering good paying careers to Bronx residents.

Moving to Hunts Point, in December we announced an historic agreement to advance the redevelopment of the Hunts Point Produce Market. The redevelopment envisions a new, fully electric and modernize facility which will continue to bring affordable and healthy food to New Yorkers who need it most, as well as preserve thousands of good-paying jobs, and dramatically improve the quality of life for an environmentally overburdened community, by eliminating the diesel-fueled refrigerated trucks that sit idle at the market. Hunts Point is a critical component of the City's food supply chain, and its redevelopment will help protect and strengthen the City's food security.

Last November, we progressed another key link in our blue highway network, while removing a painful relic of the past, with the long-awaited dismantling of the Vernon C. Bain jail barge at Hunts Point. In its place we will build a gateway to a cleaner future, the Hunts

Point Marine Terminal, which will move goods like fish, meat and produce from ships onto barges and ferries for last mile delivery across the five boroughs, bolstering our food security while getting trucks off the streets and getting healthy food to New Yorkers faster, making the entire Bronx area more sustainable while also generating good paying jobs in maritime and the green economy.

And we are expanding access to jobs that provide economic security in the Bronx through the Hunts Point Economic Mobility Network. Last June we named the Greater Hunts Point Economic Development Corporation (GHPEDC) to lead this \$1.4 million investment that connects the local workforce to good paying jobs in future-focused industries like the green economy and tech, and partners with countless local businesses and organizations.

### **Queens**

Turning to the world's borough, Queens. EDC is transforming the "Valley of Ashes" at Willets Point into a place where New Yorkers and families can thrive for generations to come. At the core of this transformation is the creation of 2,500 100 percent affordable homes, the largest affordable housing project New York City has seen in over 40 years. We are reimagining and rebuilding this neighborhood into a vibrant and modern urban hub with more than 40,000 square feet of public open space, a new public school, and more housing. Last month the housing lottery for the first 880 units closed, and we anticipate New Yorkers to be opening the doors to their new homes this spring. And soon, the world's sport will come to the world's borough, with the fully electric, privately financed Etihad stadium scheduled to be ready to welcome NYCFC for the 2027 MLS season and open to the world for the 2028 Olympics.

And, as I'm sure most of you have seen, recently the Mayor took a trip down to Washington to discuss a transformative housing project: Sunnyside Yard. We are excited to be having conversations with the Mamdani Administration about the previous Sunnyside Yard Master Plan and are looking forward to identifying important next steps for this project with City Hall, and our federal, state, and local partners. We will work closely with the communities surrounding Sunnyside Yard to ensure that any future plans reflect and uplift their needs and priorities.

### **Brooklyn**

Moving to Brooklyn, last September, the Brooklyn Marine Terminal Task Force – after more than a year of robust public engagement – advanced an historic redevelopment of the Brooklyn Marine Terminal.

At the heart of this plan is turning a long-neglected, decaying container terminal into a 60-acre modern, all-electric port that will be the crown jewel in our Blue Highways network -- taking trucks off our streets and moving more goods on our waterways, making our city cleaner, healthier and more sustainable.

Alongside this state-of-the-art port, we are building 6,000 new homes in the area, of which 2,400 will be permanently affordable. At a moment in time when our city faces a housing crisis, this will be a transformative project delivering thousands of affordable homes. The transformation of this site is anchored by a project labor agreement that brings tens of thousands of well-paying jobs, including 2,000 permanent jobs to the Brooklyn community, jobs that Red Hook residents can build a life around and support their families with. This project will bring more open space, parks, and affordable industrial and commercial space to the neighborhood. Additionally, the project will produce a \$200 million investment in the NYCHA Red Hook Houses to ensure residents have safe, high quality affordable homes, and it will generate \$18 billion dollars of economic impact for the city and community. The project is currently moving forward through the environmental review process, and we look forward to continuing significant milestones later this year.

In Coney Island, we are making significant investments in helping to modernize the neighborhood's infrastructure while building new homes -- adding to the vibrancy of this historic neighborhood. We recently announced a \$1 billion investment in reconstructing the Riegelmann Boardwalk, which includes upgrades to all 2.7 miles of the structure. We are also redeveloping the Abe Stark Sport Center, including the construction of a new ice hockey rink, and bringing 1,500 new homes, 25 percent of which will be affordable online in the coming years. We would like to thank Council for their partnership in advancing the special permit for the Seaside Park and Community Arts Center, a key milestone in keeping the beloved amphitheater as an epicenter of Coney Island.

At EDC we are committed to bringing economic opportunities, services, and infrastructure to long-underserved communities. New Yorkers deserve good jobs, safe streets, and bright, welcoming public spaces. In East Brooklyn we are delivering just that with a generational investment in the Broadway Junction redevelopment, bringing two vibrant public spaces to the area, improving quality of life, creating family-sustaining jobs, and unlocking inclusive economic growth throughout East New York.

And last year we launched the East Brooklyn Workforce Fund, which is connecting local Brooklynite jobseekers to employment opportunities in legacy industrial, emerging construction and green economy sectors. That means more jobs in construction, more jobs in renewable energy, and more jobs in real estate and property development for New Yorkers in East Brooklyn.

The Sunset Park District is a critical focal point in our efforts to marry climate action with a growing and just green economy. For too long, the Sunset Park community has faced heightened risks from flooding, air quality problems, and industrial pollution. With our partners, we are working to make Sunset Park the center of offshore wind in New York City, by transforming the South Brooklyn Marine Terminal into a nation-leading offshore wind hub. Currently, South Brooklyn Marine Terminal is over 90% complete with over 1,000 good paying green-collar and union jobs already created on-site.

We are also making significant investments in expanding opportunity and economic mobility for local workers and businesses in Sunset Park. In June of last year, we launched the Sunset Park Economic Mobility Network, connecting local New Yorkers to good paying jobs in the green economy, life sciences, manufacturing, and maritime industries.

Just a few miles away, at the Brooklyn Army Terminal, in addition to supporting over a hundred businesses and thousands of employees at this critically important industrial campus, we are building a world-class climate innovation hub. BATWorks will anchor a growing ecosystem along the New York Harbor for new climate technologists and entrepreneurs working to develop, pilot, and deploy new solutions to combat the effects of climate change.

It will also be home to the largest green workforce training facility in New York City connecting New Yorkers – including residents in the Sunset Park community - to real economic opportunity while supporting green industrial growth.

### **Staten Island**

Heading across the harbor to Staten Island, last May, we continued to advance the Staten Island North Shore Action Plan by announcing the developers of 600 new housing units on Stapleton, which will be the city's largest mass timber residential development, and over 100 units will be affordable. This is part of a historic \$400 million city investment in Staten Island's North Shore, which will create 2,400 homes, over 20 acres of public space, deliver more than 7,500 good paying and family-sustaining jobs, and \$3.8 billion in economic impact over 30 years.

And after wide-ranging public engagement, we recently announced a new vision for the future of two key sites on Staten Island's North Shore: Empire Outlets and the former New York Wheel site. At the heart of this vision is a new vibrant, mixed-use waterfront neighborhood near the ferry terminal with up to 2,500 new homes, open space, community facilities and retail options for Staten Islanders, connecting more families and workers to public transportation, delivering affordable homes, increasing quality of life and meeting the needs of the community.

We are also helping connect more Staten Islanders to good paying jobs and career opportunities. This February, we released the Staten Island North Shore Fund RFP. The Fund is designed to expand and strengthen workforce programs that serve young Staten Islanders across the North Shore, expanding pathways to good paying careers and delivering hope and dignity to young people through increased access to employment.

### **Manhattan**

At EDC we are committed to finding creative ways to get housing online fast while preserving precious city subsidy where possible. Manhattan is a great example where we have three different housing projects that collectively could deliver more than 5,000 new homes, with the three projects ranging from 25-55% affordable.

These include Gansevoort Square, where we selected developers for a project which will deliver 600 mixed-income units, with over half the units being affordable and will be co-located with an expansion of the Whitney Museum and the High Line, along with newly constructed open space. In the Financial District, 100 Gold will create nearly 3,700 homes, 25% which will be affordable. And, in the Upper West Side, we have an RFP open to transform the Bloomingdale Library into up to 850 units of much-needed affordable housing while creating a new state-of-the-art library.

Last year, we began deconstruction at the SPARC Kips Bay site, where we are transforming an entire New York City block into a state-of-the-art and first-of-its-kind education, job, innovation hub focused on life sciences and health tech. This campus will help allow students to attend high school, college, and advanced degree programs on the same campus as those at the forefront of medicine and life sciences. We believe that this campus will create synergies and help build the next generation of leaders in what will be a critical industry of the future.

### **Growing Innovation Industries with a Focus on Equity**

Our city has always been powered by diverse talent, ingenuity, and the belief in the possibility of tomorrow. But it has flourished because we have invested in our greatest asset: Our people. The entrepreneurs, the dreamers, the scientists, and the young people who dare to build the future. At EDC we seek to harness that talent and foster the next generation of leaders in tech, healthcare, life sciences, the green economy, education, and workforce development.

### **Tech**

New York City is a booming global tech hub – number two in the world. Our programs and initiatives in partnership with investors, innovators, and academic institutions are moving

the sector forward. Through our workforce development programs, we are helping bridge the opportunity gap and building pipelines to the high-tech, good paying jobs of the future.

Just a few weeks ago, we announced the fifth cohort of our Founder Fellowship program, which seeks to address long-standing inequities in tech. Since the Founder Fellowship launched in 2022, we have opened the door to nearly 400 New York City-based entrepreneurs across 243 startups, who have raised over \$170 million in follow-on capital. That means more New Yorkers are opening offices, creating better jobs, employing people, launching new products, and scaling their businesses.

And our 2025 CUNY Startup Internship program placed more than 110 NYC-based students at over 80 startups and venture capital firms across the five boroughs, with many of them continuing their internships beyond the summer or receiving full-time offers, putting more young New Yorkers on the pathway to high-wage jobs in tech.

### **Green Economy**

New York City has always been at the forefront of finding solutions to the challenges of today and tomorrow. As we all know, the climate crisis is here but so are the solutions to combat it. By developing these solutions, we can also build a thriving green economy for all of us. A green economy that creates good paying jobs, makes our city more livable and affordable; our neighborhoods healthier and more resilient and cements New York City as a leader in innovation, sustainability, and climate solutions. EDC's Green Economy Action Plan, a first-of-its-kind plan, lays out a roadmap to growing our green economy.

As mentioned earlier, in Sunset Park at the Brooklyn Army Terminal (BAT) we are building the Climate Innovation Hub, a \$100 million investment bringing business development, incubation, research, and workforce development programs to a 4-million-square-foot campus, turning Sunset Park into a center for innovation, advanced manufacturing, and workforce training.

### **Life Sciences**

Similar to the tech sector and the green economy, we want to make New York City the number one global hub for life sciences. New York City is where innovation happens and we can make it the center of life sciences, where people find cures to chronic diseases, create the new life-saving vaccines, pioneer new treatments, and make the scientific discoveries of tomorrow.

As mentioned earlier, our once-in-a-generation project at SPARC Kips Bay will make New York City a leader in life sciences, health care, and public health. Once complete, this is where we'll invent new vaccines, and unlock the knowledge that will help millions of

people live longer, healthier lives, create high-wage, high-growth jobs for New Yorkers and build a pipeline of opportunity for our young people in the jobs of the future.

## **MWBE**

We are also committed to ensuring diversity in our contracting, expanding the ladder of opportunity to more New Yorkers. In FY25, 35 percent of all awards went to MWBEs, equating to \$234 million in contract value. Our MWBE focused programs like ConstructNYC and Waterfront Pathways create critical pipelines for diverse firms to access EDC contracts while also giving them technical and financial support to expand.

## **Delivering Sustainable Infrastructure**

At EDC we work to deliver the sustainable infrastructure New York City needs today, and for the future.

Earlier this year, together with NYC Ferry, we announced the 50 millionth rider in the history of the system. NYC Ferry operates with the lowest subsidy-per-rider of any publicly funded, passenger-only ferry system in the United States, and a lower subsidy than both the Long Island Railroad and Metro North. We do this while continuing to expand access and affordability to New York City riders, through the fair fares program, making it cheaper for high school students and senior New Yorkers to get around the city.

At EDC, we are committed to expanding and increasing access to New Yorkers to our parks, waterfronts, and public green spaces --improving the quality of life for underserved communities and creating more spaces for pedestrians and cyclists to get around our city.

Working with our partners at NYCDOT and Parks, our greenway projects total 7.5 miles, including over \$1.5 billion of investments from the Manhattan Waterfront Greenway to the Staten Island Waterfront Greenway and to Queensway in central Queens, making the five boroughs greener, healthier and expanding access to more New Yorkers.

New York City has always been a maritime city; our past economic success built on the back of a natural network of waterways with trade, business, and shipping. Our Blue Highways Initiative builds on this legacy, investing in sustainable infrastructure that moves goods off the streets and roadways and onto our waterways, reducing pollution and making our city cleaner, healthier, and more sustainable. From Hunts Point to the Brooklyn waterfront to Manhattan, our Blue Highway network will reduce truck traffic and get goods, produce and food to New Yorkers faster and more efficiently. Sustainable infrastructure is not just limited to our waterways. We are making our sky quieter and greener with the

electrification of our helicopter infrastructure. Last year, we unveiled the newly named “Downtown Skyport,” formerly known as the Downtown Manhattan Heliport, which we are transforming into a hub for sustainable transportation and last-mile freight delivery—upgrading the site’s infrastructure for electric vertical take-off and landing aircraft, and building out maritime freight berthing infrastructure to also make New York City’s Blue Highways a reality.

### **Strengthening Business Confidence**

EDC works to strengthen confidence in New York City as a great place to do business, ensuring that industry and business leaders, entrepreneurs, investors, and top talent have confidence that our city—the world’s tenth-largest economy—is the best city in the world to do business.

And this summer is going to be a big one, with our city welcoming the 2026 FIFA World Cup in 86 days. We are also welcoming Sail250 to our harbor, a maritime celebration of the 250<sup>th</sup> anniversary of the United States of America.

Both events present us with a once in a generation economic opportunity that will generate billions of dollars, helping support jobs and local businesses. This is a rare moment to show the world that New York City is open for business to a global audience of tourists, companies, investors, and delegations.

### **Conclusion**

At EDC, we don’t measure our work in months or years. We think in terms of decades and generational change. From the North Shore of Staten Island to the Brooklyn waterfront, to the fish and meat markets at Essex St to the largest food distribution center in the nation at Hunts Point, our projects and initiatives seek to build an equitable and competitive economy, an economy that ensures the promise and prosperity of our city reaches this generation and the next.

We believe in building a city where hope and ambition create new industries and opportunities, a city that is more affordable and sustainable, a city that allows our workers and businesses to succeed, a city where families can thrive and grow.

We are proud to work in partnership with the City Council to improve the lives of our neighbors, expand opportunity and ensure New York City remains a global hub of business, culture, and innovation.

I want to thank you for the opportunity to speak with you today and we welcome any questions you have.



March 17, 2026

The Honorable Virginia Maloney  
Committee on Economic Development  
New York City Council  
City Hall Pk Path  
New York, NY 10007

Dear Chairwoman Maloney and Members of the Committee:

On behalf of the American Hotel & Lodging Association (AHLA), thank you for the opportunity to provide comment on the FY27 budget proposal.

AHLA is the national association representing all segments of the U.S. lodging industry, including hotel owners, leading brands, franchisees, management companies, independent properties, bed & breakfasts, and industry suppliers.

AHLA has significant concerns about the current budget proposal pending before the City Council and State Legislature, which could have long-term impacts on the hotel industry and thousands of New Yorkers who work in hotels.

### **Impact of Hotel Industry on New York City's economy**

Hotels are and always will be a people-first business. Hotel guests spend \$38.4 billion annually across the city, supporting restaurants, retailers, cultural institutions, and small businesses across all five boroughs. Each hotel room night drives roughly \$1,168 in total visitor spending citywide.<sup>1</sup> This directly translates into significant revenue for New York City, generating a projected \$4.9 billion in local, state, and federal tax revenue in 2026.<sup>2</sup> Simply put, New York City's economic strength is inseparable from the vitality of its hotels.

As worries grow about stagnant job growth, the hotel and lodging industry has been a bright spot. The comptroller's report ranks "leisure and hospitality" as the one of the strongest positive growth industries among those reviewed for a two-year change – with the expected revision expected to push those numbers even higher to 5,000 recently created jobs.<sup>3</sup>

Today, the industry supports nearly 264,000 jobs, nearly 5% of the entire city's workforce.<sup>4</sup> Hotel jobs are good jobs. Since the pandemic, average hotel wages have increased more than 15% faster than average wages throughout the general economy.<sup>5</sup> Hoteliers are not just offering jobs; they're creating career opportunities. Beyond wages, hotels provide excellent career opportunities, flexible

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<sup>1</sup> Economic Impact of the Hotel Industry, Oxford Economics. (December 2025)

<sup>2</sup> 2026 State of the Industry Report, New York City (December 2025).

<sup>3</sup> <https://statics.teams.cdn.office.net/evergreen-assets/safelinks/2/atp-safelinks.html>

<sup>4</sup> <https://www.bls.gov/regions/northeast/data/xg-tables/ro2xgcesnyc.htm>

<sup>5</sup> <https://www.ahla.com/news/ahla-president-ceo-testifies-us-house-committee-education-and-workforce>

hours, and comprehensive benefits that demonstrate our commitment to the workers who are the foundation of our industry.<sup>6</sup>

New York City Hotel Trade Council President described the NYC hotel collective bargaining agreement as the “gold standard in the unionized industry with the highest wages, best benefits, and most robust rights and protections.”<sup>7</sup>

### **Growing cost pressures**

At the same time, the industry faces significant headwinds – particularly in New York City, where local policy decisions, including the 2021 Hotel Permitting ordinance and the 2024 Safe Hotel Act, have driven up operating expenses. Over the past five years, operating costs have increased roughly four times the rate of revenue growth.<sup>8</sup> The uncertainty in the global economy continues to drive up operating, construction, and renovation costs. To put it more simply – it is more expensive to run a hotel today and revenues are not keeping pace with expenses.

Despite major events like the World Cup, hotels are bracing for a relatively flat year with nationwide revenue growth projected at less than 1%, according to Co-Star Analytics.<sup>9</sup> Our caution is rooted in declining international inbound travel<sup>10</sup> coupled with many local hotels reporting that bookings remain below expectations.

### **Impact of tax increases**

As the industry continues to balance upcoming opportunities with continued cost pressure challenges, we are concerned about local and state tax increases. These concerns are taking center stage in New York City, where hotels face some of the highest operating costs in the country. And unlike other businesses that can move to other jurisdictions when local operating costs are no longer sustainable, hotels simply close. An increasing number of travelers will opt to stay across the river and an even greater number of travelers will decide to travel to other parts of the country.

Tax proposals that increase the corporate tax and changes to the pass-through entity tax (PTET) will affect countless partnerships and S corporations that are closer to Main Street than Wall Street –

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<sup>6</sup> <https://www.ahla.com/news/ahla-president-ceo-testifies-us-house-committee-education-and-workforce>

<sup>7</sup> [July 2024 message to workers](#) (begins at :23 second mark)

<sup>8</sup> <https://www.ahla.com/resource/2026-state-industry>

<sup>9</sup> <https://www.costar.com/article/571347582/the-upside-and-downsides-to-the-revised-us-hotel-forecast>

<sup>10</sup> The continued decline of international travel continues to be challenging, particularly in New York City, where international travel plays a pivotal role in the tourism economy. In 2025, the New York City Tourism Office indicated a 5% drop in international visitors to New York City. This drop has real economic consequences, According to US Travel, on average, international visitors spend approximately \$4,000 per trip.

effectively a tax increase on small businesses. This will drive up prices for everyone, including other businesses that use these services and local residents.

Further, Mayor Mamdani's threat to implement a proposed 9.5% increase to Real Property Tax (RPT) poses real challenges to the industry. Hoteliers alone will not be able to absorb this tax without damaging property values. Left to absorb higher taxes, hoteliers will have fewer resources to dedicate to improvements and upgrades necessary to attract visitors in a highly competitive market. This would further be compounded by increased costs from other supporting businesses which will be forced to pass along the property tax increase to their customers.

We saw this play out in San Francisco, where a struggling hotel industry was confronted with ever increasing taxes and unrealistic policy decisions. Described as a doom loop<sup>11</sup> after the pandemic, many businesses, including major hotels, closed. Only after several years of increasing business closures did the city approve Prop. M to overhaul business taxes in a way that created a fairer and more resilient system.<sup>12</sup>

While we understand the City is facing significant financial challenges, there are several cautionary tales of other markets looking to solve its fiscal shortfalls by increasing taxes on local businesses. Los Angeles, once a thriving hotel market, is faced with similar challenges. After years of enacting anti-hotel policies and tax increases, recent surveys show widespread concern about the city's hotel industry.<sup>13</sup> After the City Council passed an extreme labor mandate in 2025, 6% of the hotel workforce has been laid off due to price pressures, with 62% of surveyed hotels saying that they plan to reduce staff hours throughout 2026.<sup>14</sup>

As the city weighs budget decisions, it must not lose sight of how profoundly its policies impact the hotel industry -- one of the city's most dependable generators of billions in tax revenue. AHLA looks forward to working with the Council to advance policies that promote job creation and sustained economic growth for New York City.

If you have any questions, please do not hesitate to contact me at [sbratko@ahla.com](mailto:sbratko@ahla.com).

Sincerely,



Sarah R. Bratko  
Vice President & Policy Counsel  
American Hotel & Lodging Association

<sup>11</sup> <https://www.sfchronicle.com/sf/article/doom-loop-economy-19807505.php>

<sup>12</sup> <https://sfstandard.com/2024/10/31/sf-election-2024-prop-m/>

<sup>13</sup> American Hotel & Lodging Association. Los Angeles Hotel Operator/Owner Survey. (January 2026).

<sup>14</sup> <https://ktxs.com/news/nation-world/los-angeles-hotels-cut-6-of-jobs-in-wake-of-new-wage-law-guests-face-price-hikes-study-hotel-association-of-los-angeles-county-mayor-karen-bass-minimum-wage-cost-of-living-payroll-costs-employees-workers-travel-industry-california>



Grounded in community.  
Advocating for all.

WRITTEN TESTIMONY FOR THE NEW YORK CITY COUNCIL, ECONOMIC  
DEVELOPMENT COMMITTEE, PRELIMINARY BUDGET HEARING BY BUILD UP  
JUSTICE NYC

March 17, 2026

Dear Chair Maloney and members of the Committee on Economic Development,

My name is Jessica Rose and I am testifying on behalf of Brooklyn Legal Services Corporation A, doing business as Build Up Justice NYC (BUJNYC). BUJNYC is applying for FY27 funding from multiple initiatives to support the work of several of our core programs. In this testimony, I would first like to underscore the importance of the Department of Small Business Services (SBS) Commercial Lease Assistance (CLA) Program. We are also seeking funding for our Community Economic Development program, which provides legal support for small businesses and nonprofits across the five boroughs. This year, we are applying for \$175,000 from the Neighborhood Development Grant Initiative (reference number 2214404).

As the City's sole provider of the SBS CLA Program, we represent small businesses across the city in commercial lease matters. Through additional state and city funding sources, including the Neighborhood Development Grant Initiative, we also provide legal support to small businesses and non-profits at critical stages of startup, expansion, and long-term stability. Our work extends to worker-owned cooperatives and solidarity economy projects that are building more equitable models of working and living, as well as community activists advancing equity in their communities and building grassroots movements for racial and economic justice. This legal support is essential. In an economic climate where many small businesses and community-based non-profit organizations operate on shoestring budgets, access to legal counsel can be the difference between survival and closure.

BUJNYC's commercial real estate services—including negotiating new and renewal leases, terminations and sublets; enforcing lease terms and other agreements with landlords; negotiating rent reductions and payment plans when commercial tenants fall behind on rent payments; and combating harassment or breaches of contract—help level the commercial lease playing field for small businesses. These services are critical to preventing displacement driven by ongoing gentrification and the consolidation of commercial space in the hands of large national chains and corporations, ultimately improving a neighborhood's long-term economic outlook.

In the last fiscal year, our CED program handled 1,440 small business and nonprofit or cooperative support cases across New York City. We provided assistance to businesses in every council district in NYC in FY22 and all but one council district in FY23, FY24, and FY25. Every one of these neighborhood businesses plays a vital role in their communities. Our small business

project works closely with SBS and with a network of community-based organization (CBO) partners to conduct outreach and intake across the city. Through these partnerships, we host virtual and in-person events that connect us with prospective clients and receive referrals, ensuring that our services reach the communities that need them the most.

Our work continues to be vital as small business owners face rising costs and mounting challenges. As former NYC SBS Commissioner Dynishal Gross reported in testimony to this committee last year, New York City's storefront vacancy rate reached 11.4 percent in 2025—up significantly from just four percent in 2004.<sup>1</sup> A recent report from the NYC Economic Development Corporation found that New York City lost nearly 5,000 businesses in the spring of last year, marking the weakest quarter of small business growth in five years.<sup>2</sup> Small business owners consistently report that rising costs—from higher rents to the increasing cost of supplies, insurance, and more—are placing significant strain on their operations. In this environment, access to free legal resources can make the difference between staying open and closing shop for many small businesses.

Our CED team has observed consistent issues among our client base. Unlike residential tenants, commercial tenants in New York City lack meaningful statutory protections. As a result, small business owners remain vulnerable to landlords who refuse to offer lease renewals, or neglect necessary repairs. One consistent issue we've identified is owners who sign leases they don't understand due to a lack of legal expertise—often compounded by language barriers. Our team also regularly sees landlords try to impose unjustified costs on commercial tenants after an incident or accident, trying to force business owners to pay for repairs that aren't directly associated with their commercial space. We've also encountered improper subdivision of ground-floor commercial spaces by tenants, who then sublease portions at inflated rates, leaving them vulnerable to fines and other liabilities. The City should strengthen legal protections for both commercial tenants and sub-tenants to prevent small business owners from entering these kinds of precarious and exploitative arrangements.

BUJNYC supports legislation at the city and state levels that can better protect small business owners, including the Commercial Rent Stabilization Act (S8319 Salazar / A5568A Gallagher) recently introduced in Albany. We strongly support the bill's proposal granting commercial tenants the right to a ten-year lease renewal, which would provide critical stability to NYC small business owners who are routinely forced to negotiate new leases or find new locations at the end of each lease term. We urge the City Council to pursue similar legislation to ensure small business owners are guaranteed meaningful opportunities to renew their leases.

Through our work administering the Commercial Lease Assistance program for nearly a decade, we have seen first-hand how valuable our legal services are to small businesses and hope to see the program grow. Most notably, expanding the scope of legal services funded by the CLA program would enable us to significantly improve outcomes for the businesses we serve. Many small businesses face landlord-initiated lawsuits after falling behind on rent—sometimes by just

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<sup>1</sup> "How NYC's Housing Crisis is Squeezing its Small Businesses." March 11, 2026. Brewer Roberts. City Limits. <https://citylimits.org/how-nycs-housing-crisis-is-squeezing-its-small-businesses/>

<sup>2</sup> "New York City Economic Snapshot." New York City Economic Development Corporation. December 2025. <https://edc.nyc/sites/default/files/2026-01/NYCEDC-NYC-Economic-Snapshot-December-2025.pdf>

a few thousand dollars. Yet, the CLA program does not allow us to litigate on behalf of our clients. At the same time, most small businesses cannot afford a private attorney to represent them in litigation, and by New York law, most business entities need legal representation to appear in court. In practice, this gap in access to legal counsel is exploited. BUJNYC has seen repeatedly that when landlords are aware that their small business tenant cannot secure an attorney to appear in court on their behalf, they use litigation strategically to evict longtime tenants and raise rents, even if it results in keeping their storefronts vacant for months while seeking higher-paying tenants.

We believe the CLA program could be meaningfully expanded by:

- As a pilot project, allowing the CLA legal service provider to appear in a limited amount of litigation on behalf of small business tenants for the purpose of finalizing and signing stipulation agreements. Currently, because of the way the program is structured, our team is unable to sign stipulations even after negotiating the terms of an agreement with a landlord for weeks. Our clients are forced to seek private counsel to appear in court solely to formalize the agreement ending the litigation.
- A pilot project would allow our team to assess the volume and scope of litigation-related services, ensuring that any expansion of the CLA program is effective and sustainable. Initial efforts could focus on allowing CLA counsel to appear in court to finalize and file agreements, or represent specific categories of vulnerable small business owner, such as veterans, individuals impacted by the carceral system, or business owners engaged in legal cannabis sales.

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Build Up Justice NYC offers a foreclosure prevention program which provides vulnerable homeowners throughout NYC with free direct legal representation, advice, and appropriate referrals to protect home equity. BUJNYC is one of the only legal services organizations in NYC whose foreclosure prevention practice includes complex bankruptcy cases as means to resolve the foreclosure, a strategy that is extremely effective at preventing foreclosure and allowing families to regain long-term financial stability. Last City fiscal year, we defended 370 individuals and families from foreclosure and/or discriminatory practices by predatory lenders, financial institutions, and home rescue scam artists. Of these homes, more than 80% were owned by people of color.

This year, we are applying for \$130,000 from Foreclosure Prevention/Support Our Older Adults/Estate Planning initiatives (reference number 2214439).

A November report from the Center for New York City Neighborhoods (CNYCN) found that foreclosures “surged” in the first half of 2025, nearly doubling the total from January to July of 2024.<sup>3</sup> The threat of deed theft remains a concern for many homeowners as well—another report from CNYCN noted the NYC Sheriff’s Office data shows 3,500 deed theft complaints between 2014 and 2020 primarily in historically Black neighborhoods in Brooklyn and Queens.

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<sup>3</sup> “Home foreclosures are rising in NYC. Here’s our map.” David Brand. December 30, 2025. Gothamist. <https://gothamist.com/news/home-foreclosures-are-rising-in-nyc-heres-our-map>

Additionally, homeowners continue to feel significant pressure from rising insurance rates and higher-than-average property taxes, along with other housing costs, keeping housing cost burden rates high even among homeowners.

Historic racial disparities in foreclosure rates across New York City continue to this day. The CNYCN research found the same communities of color—largely Black but increasingly Hispanic and Latine—that were hardest hit by the 2008 financial crisis are again seeing some of the highest foreclosure rates. Many foreclosures are the result of predatory lending and lending scams, which target people with lower credit scores and less cash on hand. In New York City, these borrowers are often people of color. The elderly, whose wealth is more likely to lie in assets, such as their homes, are also more likely to be targeted.

We urge the City to continue pursuing enforcement and new policies that will protect homeowners from deed theft and other threats. Last year, BUJNYC was delighted to see the passing of Int 1086-2024, which we collaborated on with Council Member Nantasha Williams (now Deputy Speaker of the City Council). The bill aimed at preventing title clouding, a practice where bad actors file deed or mortgage documents on a property in an effort to distort who actually owns a property. The bill required the Department of Finance to notify the owner in a timely manner and via multiple channels whenever a document is filed for their property. We are eager to explore additional protections for New York City homeowners through legislation and policy.

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Thank you for the opportunity to testify to this committee. We hope you continue to support the work of Brooklyn Legal Services Corporation A, doing business as Build Up Justice NYC, and that you will take our suggestions to improve the City's programs and contracts that support our work under consideration.

Thank you,

Jessica A. Rose, Esq.

Executive Director of Build Up Justice NYC

[jrose@buj.org](mailto:jrose@buj.org)



## **Center for Family Life in Sunset Park**

### **TESTIMONY**

Preliminary Budget Hearing for Fiscal Year 2027:  
“New York City’s Worker Cooperative Business Development Initiative:  
Worker Cooperatives to Fight Economic Inequality in NYC”

#### **Presented to**

New York City Council, Committee on Economic Development  
Hon. Virginia Maloney, Chair  
Tuesday, March 17th, 2026

#### **Prepared By:**

Eli Perez,  
Business Developer, Cooperative Development Program  
Center for Family Life in Sunset Park

**New York City’s Worker Cooperative Business Development Initiative**

#### **Center for Family Life**

443 39<sup>th</sup> St., Brooklyn, NY 11232  
Phone: 718-633-4823

Good afternoon, Chair Virginia Maloney and distinguished members of the New York City Council Committee on Economic Development. Thank you for the opportunity to testify.

My name is Eli Perez, and I am a Business Developer at the Center for Family Life in Sunset Park. I'm here today to respectfully urge this Council to support the Worker Cooperative Business Development Initiative by allocating \$5.09 million in Fiscal Year 2027, including \$675,000 for the Center for Family Life.

This work is deeply personal to me. In FY25, I helped a group of low-income immigrant women launch their business. Many of them came to this country seeking a better life, only to be mistreated and exploited for their labor—some earning as little as \$11 an hour. These past two years I've watched them grow, find their voices, and take up leadership positions, learning so much along the way. With your help, we will continue to equip them with the tools to manage and sustainably grow their business.

In FY27, with your support, we plan to offer 275 technical assistance services to existing worker co-ops to help them address administrative challenges and remain operational. We will also provide 20 trainings in business administration, finance, marketing, and domestic industry-specific skills so that 400 participants can strengthen their entrepreneurial knowledge. Through these efforts, we aim to create at least 15 new jobs in cooperative businesses and ensure that members of the cooperatives we incubate earn an average of \$39 per hour.

These achievements are only possible with the steadfast support of this Council. On behalf of the Center for Family Life, thank you for your time, consideration, and commitment to economic equity. We respectfully ask for your continued support in Fiscal Year 2027.

Thank you.



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## **Testimony for the Fiscal Year 2027 Preliminary Budget: Economic Development**

March 20, 2026

To the Committee on Economic Development:

My name is Molly Senack, and I am testifying today on behalf of the Center for Independence of the Disabled, New York (CIDNY) as their Education and Employment Community Organizer. This testimony is supported by Sharon McLennon Wier, Ph.D., MEd., CRC, LMHC, Executive Director of CIDNY.

In 2024, according to the Bureau of Labor Statistics, only 37.4% of disabled people between the ages of 16 and 64 were employed in the United States. According to the same report, employees with a disability were almost twice as likely to only work part-time as people without a disability (31% vs 17%), and less likely to work in traditionally higher paid managerial or professional positions than people without disabilities (37.9% compared to 44.1% respectively). Meanwhile, the American Community Survey reported that even when people with disabilities did work fulltime, their median salary was more than \$9,000 lower than the median salary for people without disabilities (\$48,937 vs \$58,113); and among working-age people between the ages of 16 and 64, poverty was more than twice as prevalent in the disabled community as in the non-disabled community (24.2% vs 9.9%). For people with disabilities seeking gainful employment, there exists a gap in hiring, a gap in advancement, and a gap in wage parity.

Over the course of the last few years, significant efforts have been made in NYC to address these gaps, and to increase the hiring and workplace retention rates of people with disabilities. In 2023, then Mayor Adams announced the expansion of NYC: ATWORK, a program supporting career advancement for the 29% of New Yorkers who, according to the Centers for Disease Control and Prevention, have at least one disability. However, this critical program remains understaffed and underfunded, severely limiting the scope of what it can achieve. NYC: ATWORK works with both employers and employees developing partnerships, conducting trainings, guiding applicants through the job seeking process, addressing accommodation issues, providing benefits counseling, doing outreach to expand program participation, and offering other employment resources and support. This is all work done by the program's current staff of only 6 people.

Despite running a successful program (NYC: ATWORK estimates that since 2023, 80% of program participants were connected with full-time employment), limited capacity means that long waitlists are common, and that only so many people can be helped. Nearly 2 million people in NYC have a disability. Since 2023, NYC: ATWORK has been able to help approximately 120 of them. If this program is going to reach its potential to significantly narrow employment gaps in NYC

for people with disabilities, greater investments are needed. Increased funding means this program would be able to: have a physical presence in every borough, making it easier for NYers to utilize these services; hire more staff, increasing the number of people who can participate in the program; expand outreach efforts to reach not only more potential consumers, but potential employers to develop partnerships with; update the NYC: ATWORK website to make it more navigable for users curious about the program; and be prepared to address the emerging barriers to employment that people with disability are beginning to face, including AI-based hiring discrimination, rapidly changing benefits policies, and funding cuts that could impact the overall availability of open job positions.

**Therefore, CIDNY requests that the FY27 budget include an increased financial investment in NYC: ATWORK in order for the program to double its staff from 6 people to 12 people, and asks that this funding be baselined, so that this program can continue to expand.**

NYC: ATWORK, however, is not the only investment necessary to address the barriers faced by people with disabilities seeking employment. It is therefore also critical to have an office whose primary purpose is to address the multitude of interconnected barriers specifically impacting the disability community's access to gainful employment, and to ensure that office is adequately equipped to do so. However, the City office designed to serve this function- the Mayor's Office for People with Disabilities (MOPD)- currently receives less than \$1 million in City funding. That is not sufficient funding to thoroughly assess barriers to participation in the economic landscape, let alone develop and implement initiatives to address them.

**To this end, CIDNY requests that MOPD be funded at \$10 million.** An investment of this size only sounds large when it is compared to current inadequate funding levels, not when compared to the size of the population MOPD is supposed to serve. The Department of Veterans' Services for instance, serves 140,000 people with an overall budget of \$5 million. MOPD is expected to serve 2 million people for under \$1 million. MOPD needs sufficient funding for staffing, for outreach, and for implementing critical initiatives across the City. As it stands, MOPD currently refers much of its work out to nonprofit service providers. It is also vital that MOPD have RFP capabilities, in order to help nonprofits fund that work.

It is also important to note that for many people with disabilities, the employment gap begins in school, especially in higher education settings. Although there is no data specifically tracking the correlation between disability and post-secondary education dropout rates, in 2021 the National Center for Education Statistics (NCES) found that students with disabilities were twice as likely to drop out of high school as their nondisabled peers (10.7% vs 4.7%). This is consistent with 2022 data from the ACS, which shows that people without disabilities are almost twice as likely to have a bachelor's degree or higher than people with disabilities (38% vs 21%). Both statistics indicate there is a significant gap between meeting the needs of disabled students and meeting the needs of nondisabled students.

Students are cognizant of this disparity, and it promotes an unfortunate cycle: students with disabilities who do not see available and accessible resources on their college campuses often opt not to request them in the first place. According to the 2022 ACS, 21% of undergraduate students and 11% of graduate students privately reported having a disability during the 2019-2020 school year. Yet only 8% of students, or about a quarter of students who privately reported having a disability, registered as having a disability with their institutions. This discrepancy- consistent with the same NCEES 2022 report mentioned above, which found that only 37% of students who acknowledged having a disability registered as such with their institution- is driven by a fear of stigmatization compounded by the belief that requesting an accommodation will not necessarily result in receiving one. And this belief is too often proven accurate: of the 37% of students with disabilities who reported their disability to their school, almost 40% did not receive accommodations when they asked for them.

If students are discouraged from seeking accommodations, and are not guaranteed those accommodations if they do seek them, then those students are not receiving the supports and resources that they need to graduate and receive the degrees that will aid them in finding gainful employment. And beyond that, they are learning to not advocate for themselves even when they are legally entitled to accommodations, which will make maintaining employment that much more difficult.

Ensuring the accessibility of higher education helps enable students with disabilities to graduate with the necessary degrees while also setting a critical precedent regarding self-advocacy that will carry through future job opportunities. **CIDNY therefore asks that the following be included in the FY27 budget:**

- **Allocated funding for in-depth training on disability and accommodations for campus staff and faculty** that uses more comprehensive definitions of both "accessibility" and "disability" with a focus on mental health and chronic medical disabilities.
- **Increased funding to ensure campuses' assistive technology is up to date**, especially when it comes to software compatibility.
- **Increased funding allocated specifically for staffing and operations**, since accessibility on college campuses will only improve if there is funding to ensure the offices responsible for administering support and services are sufficiently staffed.

We thank the Council for their time and effort, and for their continued investment in ensuring access to gainful employment for the disability community.

Sincerely,

Molly Senack (She/Her)  
Education and Employment Community Organizer  
Center for Independence of the Disabled, New York  
Email: [msenack@cidny.org](mailto:msenack@cidny.org) Phone: (917)415-3154

March 19, 2026

Testimony to City Council Committee on Economic Development

On Behalf of: Community and Worker Ownership Project, CUNY School of Labor and Urban Studies

Rebecca Lurie

Thank you Chair Maloney and members of the committee for the opportunity to present testimony on the issue of Municipal Grocery Stores. As an organization that teaches and promotes cooperative economics as a means towards equity, affordability, community resilience and economic justice, we want to share our perspective of how the five municipally owned grocery stores could support these goals. Affordable food is a cornerstone of public health, economic stability, and community well-being. As New York City faces both current affordability pressures and certain future crises, it is imperative that we invest in durable, community-centered food infrastructure.

The proposal for five municipal grocery stores is a strong start, but it is not enough. We should view these initial stores as priming the pump—a foundation we can immediately build upon. This initiative should expand to include a broader ecosystem: at least 20 cooperatively rooted stores distributed across communities, alongside buying clubs, local vendors, and decentralized distribution networks, building out a network of food provisioning with resilient infrastructure.

With the Mayor's call for affordability, the establishment of an Office of Mass Engagement and the leadership of a Deputy Mayor for Economic Justice, now is the time to advance a bold agenda—one that addresses both immediate needs and long-term resilience for future generations. We can frame this not just as a grocery store program, but as a vital component of a comprehensive strategy for food provisioning, supporting a larger infrastructure strategy. If we are serious about solving food access in both the short and long term, we must invest in systems—not just sites.

To succeed, this effort must be surrounded by thoughtful policy and cross-agency collaboration. We should align food access initiatives with other public priorities, leveraging shared impact and reducing costs through coordination. When infrastructure serves multiple purposes, it becomes more efficient and more powerful.

We already have critical assets in place that can be integrated into this vision:

- Local commercial kitchens and workforce training centers
- Street vendors, with new regulatory improvements
- Deliveristas, whose organizing power can strengthen distribution systems
- Worker cooperatives as small, community-based businesses
- Sustainable supply chains and alternative distribution routes, including our Blue Highways
- Community gardens, mutual aid networks, and food pantries that are already bringing community together and feeding people

Many of these models already practice shared governance and deep community engagement. These are essential elements for long-term economic justice and community care. This is our moment for innovation.

We should move forward with the five stores—but with a clear, bold plan to expand. We can use this opportunity to support a demonstration model of an ideal infrastructure: one that is crisis-ready, locally rooted, and capable of scaling. This includes building in democracy, transparency, and real mechanisms for community and worker power—through worker ownership, community governance, and broad public engagement. We can pilot a concentrated, community-rooted model—for example, in

Central Brooklyn—that connects municipal investment with local assets that are already in play.

At an estimated \$14 million per store, this investment signals the scale of ambition required. But it must be framed as part of a larger development plan—not an isolated effort. Especially in the context of budget constraints and increased scrutiny on public spending, this initiative will require sustained commitment, collaboration and strategic clarity.

We cannot let a bold, long-term vision stand in the way of immediate action—but neither can we afford to act without that vision. We must do both: build now, and build toward something bigger.

This is about more than grocery stores. It is about creating the infrastructure for food distribution and provisioning that ensures dignity, access, and resilience for all.

Francis Yu  
Director of Supermarket Access  
Community Food Advocates  
NYC City Council Committee on Economic Development  
Testimony on the FY 2027 Preliminary Budget  
March 17, 2026

Good afternoon, Chair Maloney and members of the Committee. My name is Francis Yu, Director of Supermarket Access at Community Food Advocates. On behalf of Community Food Advocates and the growing coalition we are building to advance equitable supermarket access across New York City, thank you for the opportunity to testify on the FY27 Preliminary Budget.

Community Food Advocates works to ensure all New Yorkers have access to healthy, affordable, culturally affirming food. In addition to leading major citywide campaigns such as universal school meals and Good Food New York, we have spent the last several years conducting research and organizing partners around equitable supermarket access.

The urgency is clear. A newly released 2026 Share Our Strength New York Hunger Survey found that two-thirds of New Yorkers had to choose between buying enough nutritious food and paying for other essential household expenses in the past year. For families with children, that number rises to 74 percent.

This is why we strongly support Mayor Mamdani's initiative to develop City-owned supermarkets. Community Food Advocates currently convenes a growing coalition of community organizations, food system experts, and researchers helping shape recommendations for the initiative. Last year, alongside industry experts Errol Schweizer and Raj Patel, we released a report outlining strategies to ensure these supermarkets deliver real affordability and access.

Two factors will determine whether this effort succeeds: scale and sustained operational investment. Achieving real affordability requires a model that operates at sufficient scale, which we've identified at 20 stores, and recognizes supermarket access as a public good.

We are very pleased with the \$70 million capital funds in the Preliminary Budget. While this initial capital investment is important, long-term success will depend on ongoing operational funding. Current projections suggest approximately \$20 million per store in annual subsidy—roughly \$100 million annually for the first five stores—to ensure sustained affordability, quality jobs, and a dignified grocery experience for New Yorkers.

Thank you for your leadership and attention to this issue.



## **PRIORITIZING AFFORDABLE, QUALITY, NEIGHBORHOOD-BASED SUPERMARKET ACCESS AS A PUBLIC GOOD**

### ***Focus on City-Owned Supermarkets and Complementary Cooperative Ownership Models***

Community Food Advocates and its partners are excited about the promise of city-owned supermarkets and are eager to ensure its success.

Our shared premise is that bold, innovative solutions are essential, as the private market has not ensured affordability overall and has failed to address the entrenched challenges of affordability, quality, and proximity that remain acute in low-income and gentrifying neighborhoods.

We believe solving these issues requires an expansive and multipronged approach.

In this document, we focus on recommendations to both make the promise of NYC's city-owned supermarket model a success alongside proposals for NYC to create a fertile environment for the growth of cooperative ownership and a democratic, solidarity economy.



DEVELOPED IN COLLABORATION WITH:



# PRIORITIZING AFFORDABLE, QUALITY, NEIGHBORHOOD-BASED SUPERMARKET ACCESS AS A PUBLIC GOOD

*Focus on City-Owned Supermarkets and Complementary Cooperative Ownership Models*

v1.2 - latest revision 12/17/25

For questions on the recommendations proposed, contact Liz Accles—Executive Director, Community Food Advocates at [laccles@foodadvocates.org](mailto:laccles@foodadvocates.org)

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**Raj Patel**, Research Professor, Lyndon B Johnson School of Public Affairs, UT Austin

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**Melat Seyoum**, New York City Network of Worker Cooperatives

**Francis Yu**, Co-Executive Director, Catskills Agrarian Alliance

## DESIGN & CONTENT STRATEGY

**Christina Bronsing-Lazalde**, Real Food Media





## CITY-OWNED SUPERMARKETS

### RECOMMENDATIONS AND KEY CONSIDERATIONS

The primary goal is to increase access to affordable and healthy groceries for consumers.

#### PRICING TO CONSUMERS

The current proposal is to sell food to residents at wholesale prices.

The NYC government will accomplish this by covering the cost of land, space, construction, equipment, utilities, labor, and ongoing operating costs. These city-owned grocery stores will be exempt from paying rent and property taxes, thereby, passing on savings to consumers who will pay for food with no markup.

*The Military Commissary model—grocery stores owned and operated by the Department of War—is the north star for public supermarkets.*

#### SUCCESS OF MODEL DEPENDS ON SCALE AND SUPPLY CHAIN EFFICIENCIES

Current proposal for 5 stores will likely have limited success in scale and consumer reach.

#### SCALE

Scale directly impacts favorable wholesale pricing, favorable distribution agreements, and can address the proximity of stores to consumers. Wholesale pricing fluctuates greatly based on purchasing scale. Independent grocers have difficulty competing with large corporate grocery stores because the latter can bargain for lower prices and/or purchase in bulk from wholesalers or manufacturers. As a result, wholesalers tend to overcharge independent grocers. To ensure lower prices for city-owned grocery stores, the City should source their meat from regional farms (which will have the added impact to strengthen the local supply chain and lower fuel use and costs) and purchase other goods at a high volume and scale from wholesalers or manufacturers. These savings will be passed on directly to consumers.

## **CONSUMER REACH**

Resident proximity to public supermarkets is key to consumer access. Financial and time costs to travel out of neighborhoods to access groceries will impact participation. For NYC residents who do not own cars, managing groceries on public transportation or costly taxi services can be a prohibitive barrier. A Community District or neighborhood based analysis and approach is key to having the greatest impact.

## **STORE MODELS FOR CONSIDERATION**

Warehouse style stores like Costco have price advantages and lower markups for two primary reasons: (i) a limited number of items (2,000) compared to Whole Foods (35,000) and (ii) lower overhead costs. Bulk buying of fewer items brings down pricing considerably and simplifies distribution. This model also has the advantage of lower labor costs since pallet models are much less labor intensive than shelf stocking. This allows for a lower overhead while simultaneously ensuring living wages.

## **ITEM NUMBERS AND MARK UP COSTS**

Whole foods 35,000 = 35-40% markup

Aldi 1500 items = 25% markup

Costco 3,000 items = 14% markup

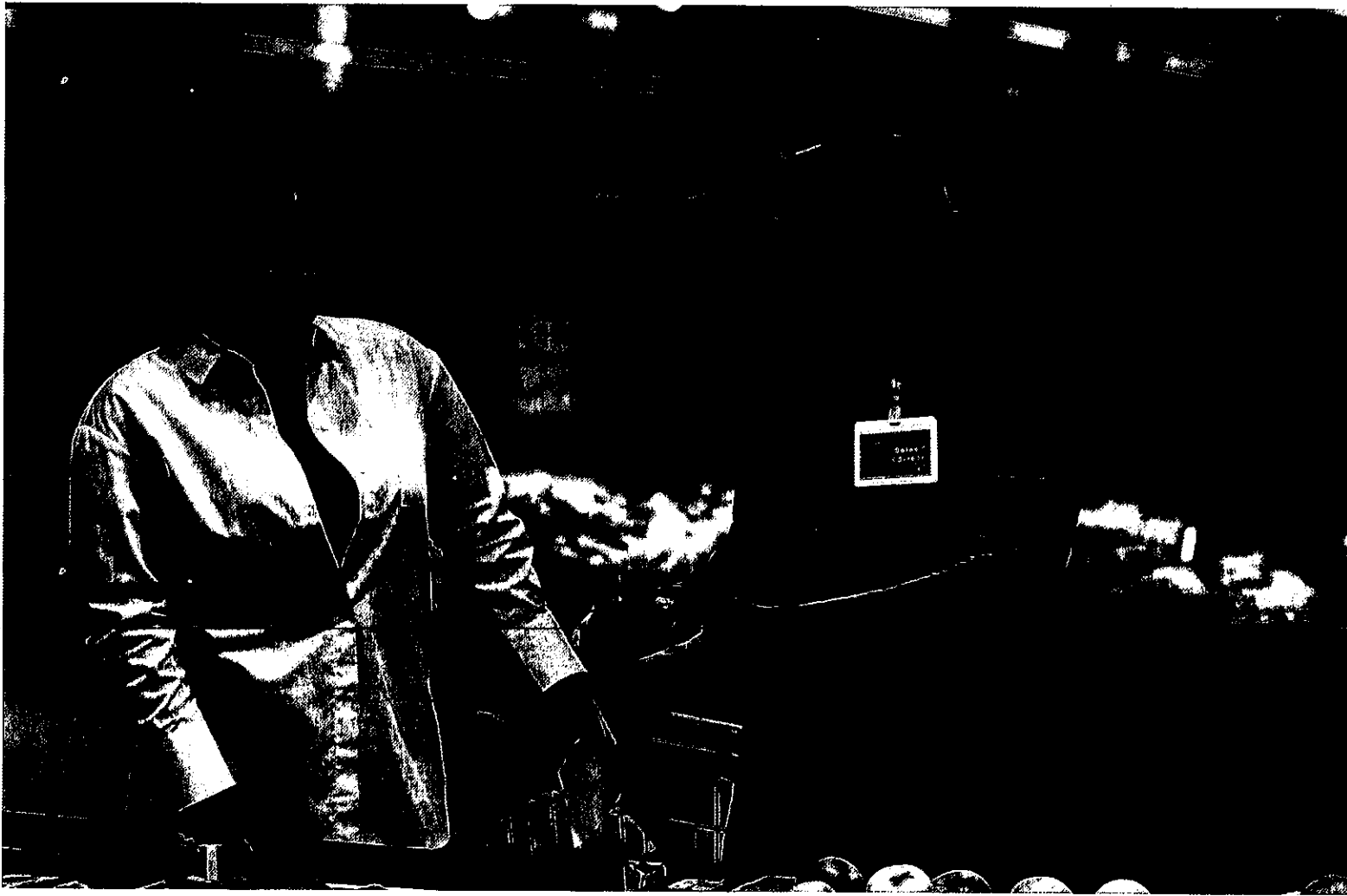
## **ACROSS THE BOARD CONSUMER APPEAL**

It is critical to the success of city-owned supermarkets that they have consumer appeal that goes beyond low prices. They must carry healthy and quality food, and be a space that is welcoming to all members of the community. Workshops and cooking classes can be hosted in these spaces. Communities can participate and have input on how they want their public stores to look. These help us fulfill two goals (1) ensuring the volume of purchasing needed to ensure success, and (2) to ensure that this is seen as a solution for the broad range of New Yorkers (across class) that are struggling with food prices.



## **OWNERSHIP AND OPERATION**

- Can be owned and fully operated by NYC or can be owned by NYC but operated by vendor/s of choice who are committed to deliver a mission-driven service.
- Priority must be placed on teams with management and operational experience.



## ECONOMIC MODELING

In consultation and collaboration with experts **Raj Patel** (<https://civileats.com/author/rpatel/>) and **Errol Schweizer** (<https://civileats.com/author/eschweizer/>) we have provided a high level economic modeling and recommendation to ensure city-owned supermarkets are successful and sustainable.

### WE PROVIDED ANALYSIS OF TWO MODELS

- (1) the current 5 store proposal **ADDENDUM A**
- (2) an analysis and recommendations for 20 store network proposal **ADDENDUM B**

*Please see economic analysis for the two models in addendum A and B, beginning on page 11.*

# **RECOMMENDATIONS TO COMPLEMENT THE PUBLIC GROCERY MODEL WITH COOPERATIVES**

As a starting point for the next Mayoral administration, we are proposing that the city invest in cooperative ownership across the grocery food sector—including small grocers and supermarkets, but also proposes that the city invest in the ecosystem feeding into retail markets—food hubs, incubator/shared kitchens, distributors/aggregators, and more.

## **WHY THE COOPERATIVE APPROACH IS CRITICAL FOR LASTING IMPACT ON FOOD AFFORDABILITY IN NYC**

While the Public Grocery model offers an unmatched opportunity for affordability, the cooperative model is essential for sustaining affordable food infrastructure while also building community participation and ownership.

Cooperatives are, first and foremost, owned by the communities they are a part of. They do not seek to maximize profits for investors or shareholders. Instead, as outlined in Principle 7 of the International Cooperative Principles, they are built on concern for the community. Successful cooperative models for grocery stores exist throughout the world, e.g. Denmark, the United Kingdom, and Vietnam.

The incoming Mayoral administration should deeply invest in cooperative food business development, as an essential element of securing an affordable food system for NYC. The public grocery model offers a measurable impact on food security for millions of low- and moderate-income New Yorkers for less than .5% of the city's budget. By investing in cooperative food businesses, the administration will also secure democratic ownership of the food system for future generations. Worker- and consumer-owned co-ops are consistently shown to be more resilient and likely to survive longer than traditionally owned businesses. Several international studies also confirm that co-ops often have survival rates exceeding 60-70% at the five-year mark, compared with about 40-50% for conventional businesses.

# RECOMMENDATIONS TO COMPLEMENT THE PUBLIC GROCERY MODEL WITH COOPERATIVES

## KEY RECOMMENDATIONS

These two key recommendations will expedite infrastructural development and drive down the cost of doing business with savings being passed on to the consumer. As it is, the Park Slope Food Co-op markup is set at 21% on most items and co-ops, in general, are more affordable than private businesses. This is not exclusive to groceries or exclusive to a particular co-op model. With proper city investment, food hubs, distributors, and aggregators, whether worker-, consumer, or purchaser-owned, will also be able to secure wholesale prices at lower rates.

- 1 To address two of the biggest barriers co-ops face, the city should **create a program that offers land/space rent-free for co-op development and create a fund to invest in the startup costs** by supporting the costs for construction, equipment, and other capital needs.
- 2 The city should **invest in non-profit and cooperative co-op development** in order to support these entities who can identify and organize potential cooperators, incubate co-ops, create shared purchasing co-ops, and offer ongoing co-op TA services.

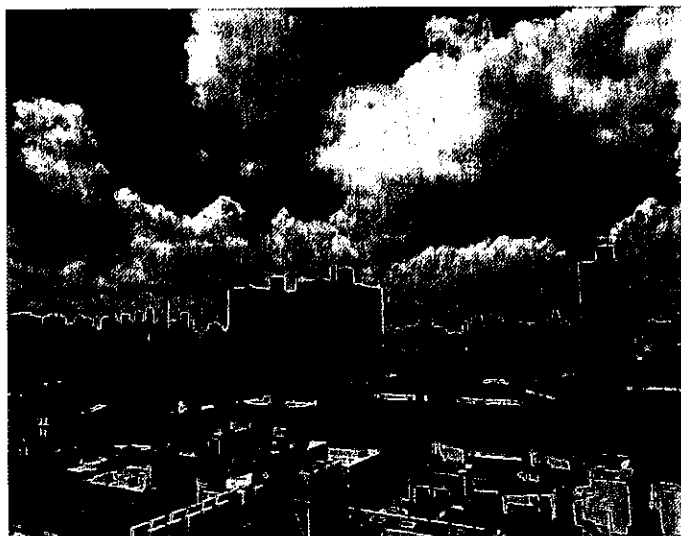
## ADDITIONAL RECOMMENDATIONS

- ➔ **Major housing development projects should conduct needs assessments on food access infrastructure** - similar to assessment of need for new school seats.
- ➔ **Incorporate Good Food Purchasing in these models** to use purchasing power to advance vibrant local and regional food economies and support values-aligned food businesses along the food supply chain.

## RECOMMENDATIONS TO COMPLEMENT THE PUBLIC GROCERY MODEL WITH COOPERATIVES

### APPROACHES FOR CITY-OWNED LAND AND SPACE

- **Expand Promising Models: RiseBoro's Steps at Saratoga model**
  - **Significantly expand models like the RiseBoro's Steps at Saratoga (Steps) model** for retail grocery cooperative space, dedicated space for cold storage and distribution, an incubator kitchen for businesses who can then sell into the wholesale and retail spaces. This can be incorporated into housing development (as it is with Steps), but also should be available for stand alone development. This project originated from an HPD's Wealth and Wellness in Bed-Stuy RFP.
- **Build provisions into the contracts that ownership of building/land ownership eventually transfers to the cooperative.**
- **Use dormant city owned spaces**, such as underutilized NYCHA ground floor facilities to support cooperative food business development that can expedite processes in communities with the most need.
- **Expand Community Land Trusts model to include supermarket scale grocery access**. This will provide stability against speculative real estate forces by taking it off the private market and into community ownership.



## RECOMMENDATIONS TO COMPLEMENT THE PUBLIC GROCERY MODEL WITH COOPERATIVES

### APPROACHES FOR TRANSFORMING PRIVATE SPACE TO COMMUNITY OWNERSHIP

#### ➔ CREATE FOOD AREA DESIGNATIONS (FOOD DISTRICTS)

Take inspiration from public markets infrastructure and the community-serving NYC retail landscapes that naturally occur when rents are not prohibitive. Target clusters of smaller, vacant storefronts to create cooperative and community ownership of food infrastructure within neighborhoods. The City can buy ground-level commercial spaces —via condo conversion to separate ownership of these spaces from residences above—and then structure opportunities for cooperatives (across model types) and community members to launch and ultimately purchase the commercial units.

- **Leveraging clusters of vacant storefronts**, the City can purchase these as condo spaces and provide long-term leases at deeply affordable rates with the goal of creating community-owned, diversified fresh food retail, storage, etc. The retail can be operated as a cooperative (worker, consumer, or purchasing), or, they can take the form of a mom and pop shop, independent grocer operating within a community-owned and controlled space.
- **Operator solicitations could come in the form of a bundle RFP open to the general public.** In order to receive the lease/funding/resources certain conditions would need to be met including utilizing a cooperative business model and/or community governance.
- **There would be a plan from day 1 for community land trust (CLT) conversions** of these commercial space clusters to prevent future predatory commercial rent.
- **This complements supermarket access.** Communities with thriving food infrastructure have a range of food purchasing options that are complementary.

#### ➔ CONVERT VACANT RITE AID AND GROCERY STORES INTO CO-OP SPACES.

## RECOMMENDATIONS TO COMPLEMENT THE PUBLIC GROCERY MODEL WITH COOPERATIVES

### BUDGET NEEDS FOR PROPOSED COOPERATIVE EXPANSION

- ★ Develop a fund for start up capital for cooperative food business operations
  - \$116M year 1 only
- ★ Cooperative Organizing, Development, and ongoing Technical Assistance by non-profit or cooperative entities, with at least one co-op development entity in each borough
  - \$12M for years 1-3 and \$5M ongoing
- ★ Ongoing infrastructural improvement fund for cooperatives
  - \$1M per year, beginning in year 2



As illustrated in this budget, most of the city's investment would happen upfront with \$6M in annual funding for years 4 onward.

### ADDITIONAL BUDGET CONSIDERATIONS TO INCREASE AFFORDABILITY:

- Toll reimbursements for farmers delivering food - \$12M
- Creating a non-federally funded SNAP spending enhancement - \$10M
  - Health Bucks provide \$2 in subsidy for every \$2 spent with SNAP at Farmers Markets (up to \$10). This program is funded by the USDA and by the City's own budget The total budget for this program is about \$3M. The city could fund a program for use in city/co-op supermarkets.



**ONGOING ANNUAL COST: \$6M ★ ★**

## ADDENDUM A: ECONOMIC MODELING

# 5 STORE CITY OWNED SUPERMARKET MODEL: BREAKING DOWN THE NUMBERS



### THE OVERALL PLAN

#### 5 STORES WITH A \$60 MILLION FIRST-YEAR INVESTMENT

##### Analysis of Weekly Store Operations

Each Store Handles \$192,000 in Groceries Weekly

Here's where every dollar goes:

- \$115,200 (60%) = What customers actually pay (wholesale price)
- \$76,800 (40%) = What the city pays to run the store

**Think of it like this:** The store moves \$192,000 worth of groceries each week, but customers only pay 60 cents on the dollar. The city picks up the other 40 cents.



### WHAT THIS MEANS FOR NEW YORKERS' GROCERY BILLS

#### AT A REGULAR SUPERMARKET:

- Your cart of groceries: \$100
- Store paid suppliers: \$60
- Store's markup: \$40 (for their costs, such as labor, utilities, rent)

#### AT THE CITY STORE:

- Same cart of groceries: \$60
- City paid suppliers: \$60
- City covers operations: \$40 (from tax revenue)
- You save: \$40 (in theory)

#### REALITY CHECK

Due to high wholesale prices from low volume, actual savings would likely be only 10-15%, not 40%.



### THE ANNUAL PICTURE (PER STORE)

#### Money Flowing Through Each Store:

- Customer purchases: \$6 million (what shoppers pay at wholesale)
- City subsidy: \$4 million (covering operations)
- Total value: \$10 million (what these groceries would cost at regular retail)

#### What the City's \$4 Million Pays For:

- Wages for 15-20 employees (likely not living wages due to budget constraints)
- Utilities (keeping lights on, refrigeration running)
- Maintenance (equipment, repairs)
- Management (store operations, ordering)
- Insurance and other overhead

## ADDENDUM A: ECONOMIC MODELING 5 STORE CITY OWNED SUPERMARKET MODEL: BREAKING DOWN THE NUMBERS

### ➔ THE FULL 5-STORE NETWORK

#### FIRST YEAR COSTS

- **One-time startup:** \$10 million
  - \$2 million per store for equipment, shelving, registers, freezers, initial setup
- **Annual operations:** \$50 million
  - \$10 million per store in total budget
- **Total Year 1:** \$60 million

#### WHAT CITIZENS GET BACK

- **\$112.5 million worth of groceries** (at normal retail prices)
- **Pay only \$62.5 million** (at wholesale)
- **Theoretical savings: \$50 million**
- **Likely actual savings: \$15-20 million** (due to higher wholesale costs based on low sales volume)

### ➔ WHY THESE NUMBERS ARE UNLIKELY TO WORK

#### THE 40% MARGIN PROBLEM

The model assumes a 40% margin to cover operations, but lacks the scale to achieve efficient operations.

#### SMALL STORE REALITY

- Still need full rent (unless city provides free)
- Still need minimum staff regardless of sales
- High wholesale prices (no volume leverage)
- High shrink/waste (products expire before selling)
- Limited selection may frustrate customers

#### THE VOLUME CRISIS

**\$192,000 weekly is tiny for a full supermarket:**

- Only \$27,400 in daily sales
- That's about 100-150 customers per day
- A regular supermarket does \$500,000-800,000 weekly
- **This is corner store volume with supermarket ambitions**
- **Will not make a dent in food access**

### ➔ IS THIS A GOOD DEAL FOR TAXPAYERS?

#### THE MATH

- City invests: \$50 million annually (after startup)
- Citizens save: Maybe \$15-20 million (optimistically)
- Jobs created: 75-100 (likely at low wages)
- Return: \$0.30-0.40 saved per \$1 invested

#### WHO BENEFITS MOST

- Could reach very few people—stores will be poorly stocked
- Limited neighborhoods—only 5 locations
- Minimal savings—maybe 10-15% off regular prices

## **ADDENDUM A: ECONOMIC MODELING**

### **5 STORE CITY OWNED SUPERMARKET MODEL: BREAKING DOWN THE NUMBERS**

#### **➔ CRITICAL WEAKNESSES**

##### **WHAT MAKES IT VULNERABLE TO FAILURE**

- **No scale:** Can't negotiate competitive wholesale prices
- **Too much variety attempted:** Trying to stock everything with no volume
- **High waste:** Products expire on shelves
- **Poor customer experience:** Limited stock, frequent outages
- **Inefficient operations:** Fixed costs spread over too few sales

##### **THE WHOLESALE PRICE PROBLEM**

Without volume, stores pay nearly retail prices at wholesale, making the promised 30-40% savings impossible.

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#### **➔ COMPARISON TO ONE REGULAR SUPERMARKET**

##### **THE REALITY**

- These 5 stores combined = \$112.5 million in annual retail equivalent
- One successful suburban supermarket = \$100-150 million annually
- **The city would subsidize 5 stores to equal the output of 1 regular store**

#### **➔ THE BOTTOM LINE**

##### **THIS IS ESSENTIALLY A \$50 MILLION ANNUAL PROGRAM THAT**

- Cuts grocery prices by maybe 10-15% (not the promised 30-40%)
- Creates 75-100 jobs (likely not at living wages)
- Serves very limited areas (only 5 locations)
- Operates inefficiently due to lack of scale

##### **THE BOTTOM LINE**

Taxpayers would fund store operations for minimal benefit. It's like building a public transit system with only 5 bus stops - too small to work properly, but still expensive to run.

##### **KEY CHALLENGE**

At \$192,000 weekly revenue per store, these locations would struggle to stock fresh produce, maintain variety, and avoid waste. Customers would quickly return to regular supermarkets for better selection, creating a spiral of declining sales and increasing subsidies.

## ADDENDUM B: ECONOMIC MODELING

# ALTERNATIVE SCALED UP PROPOSAL: 20 STORE CITY OWNED SUPERMARKET MODEL

### ✓ THE OVERALL PLAN 20 STORES WITH A \$400 MILLION FIRST-YEAR INVESTMENT

#### Analysis of Weekly Store Operations

Each Store Handles \$970,000 in Groceries Weekly

Here's where every dollar goes:

- **\$600,000 (62%)** = What customers actually pay (wholesale price)
- **\$370,000 (38%)** = What the city pays to run the store

**Think of it like this:** The store moves almost \$1 million worth of groceries each week, but customers only pay 62 cents on the dollar. The city picks up the other 38 cents.

### ✓ WHAT THIS MEANS FOR NEW YORKERS' GROCERY BILLS

#### AT A REGULAR SUPERMARKET

- What you pay for your cart of groceries: **\$100**
- Store paid suppliers: **\$60**
- Store's markup: **\$40** (for their costs, such as labor, utilities, rent)

#### AT THE CITY STORE

- What you pay for the same cart of groceries: **\$62**
- City paid suppliers: **\$62**
- City covers operations: **\$38** (from tax revenue)
- **You save: \$38**

### ✓ THE ANNUAL PICTURE (PER STORE)

#### Money Flowing Through Each Store:

- **Customer purchases:** \$31.2 million (what shoppers pay at wholesale)
- **City subsidy:** \$19.25 million (covering operations)
- **Total value:** \$50.4 million (what these groceries would cost at regular retail)

#### What the City's \$19.25 Million Pays For:

- **Living wages** for 40-50 employees
- **Utilities** (keeping lights on, refrigeration running)
- **Maintenance** (equipment, repairs)
- **Management** (store operations, ordering)
- **Insurance and other overhead**

**ADDENDUM B: ECONOMIC MODELING**  
**ALTERNATIVE SCALED UP PROPOSAL: 20 STORE CITY OWNED SUPERMARKET MODEL**

✓ **THE FULL 20-STORE NETWORK**

**FIRST YEAR COSTS**

- **One-time startup:** \$60 million
  - \$3 million per store for equipment, shelving, registers, freezers, initial setup
- **Annual operations:** \$385 million
  - \$19.25 million per store to keep them running
- **Total Year 1:** \$445 million

**WHAT CITIZENS GET BACK**

- **\$1 billion worth of groceries** (at normal retail prices)
- **Pay only \$600 million** (at wholesale)
- **Collective savings: \$400 million**

✓ **WHY THESE NUMBERS WORK**

**THE 37% MARGIN EXPLAINED**

In grocery economics, "margin" is what's needed beyond the cost of food itself.

**TYPICAL SUPERMARKET NEEDS 40% MARGIN:**

- 10% for rent/real estate
- 3% for taxes
- 15% for labor
- 10% for utilities, equipment, overhead
- 5% for profit

**CITY STORES NEED ONLY 37% MARGIN:**

- 0% for rent (city provides free)
- 0% for taxes
- 18% for labor (living wages, efficient model)
- 15% for utilities, equipment, overhead
- 4% for administration
- 0% for profit

✓ **THE EFFICIENCY SECRET**

**FEWER PRODUCTS, HIGHER VOLUME**

- Stock 1,500 fast-moving items (not 30,000)
- Each item sells more units
- Less spoilage, less labor needed
- Better bulk pricing from suppliers

**It's like Costco meets public service:** Limited selection, great prices, but accessible to everyone (no membership required).

**ADDENDUM B: ECONOMIC MODELING  
ALTERNATIVE SCALED UP PROPOSAL: 20 STORE CITY OWNED SUPERMARKET MODEL**

**✓ IS THIS A GOOD DEAL FOR TAXPAYERS?**

**THE MATH**

- **City invests:** \$385 million annually (after startup)
- **Citizens save:** \$400 million on groceries
- **Jobs created:** 800-1,000 at living wages
- **Return:** \$1.04 in savings per \$1 invested, plus jobs and food security

**WHO BENEFITS MOST**

- **Family spending \$12,000/year on groceries: Saves \$4,560**
- **Senior on fixed income spending \$4,000/year: Saves \$1,520**
- **Neighborhoods without supermarkets: Finally get food access**

**✓ KEY SUCCESS FACTORS**

**WHAT MAKES IT WORK**

- **Scale:** 20 stores create real buying power
- **Efficiency:** Warehouse model, not traditional supermarket
- **No rent or taxes:** City provides free real estate and no taxes incurred
- **No profit:** Every dollar goes to operations or savings

**WHAT COULD MAKE IT VULNERABLE TO FAILURE**

- **Going too small:** Fewer stores = no buying power
- **Too much variety:** Trying to stock everything = inefficiency
- **Charging rent:** Would eat up the entire budget
- **Poor locations:** Stores need to be where people shop

**✓ THE BOTTOM LINE**

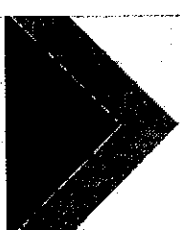
**THIS IS ESSENTIALLY A \$385 MILLION ANNUAL PROGRAM THAT:**

- Cuts grocery prices by 38% for users
- Creates 1,000 living-wage jobs
- Ensures food access in underserved areas
- Operates as efficiently as private retailers

**Clear benefits:** Taxpayers fund store operations, but get back even more in direct savings, plus the social benefits of jobs and food security. It's public infrastructure for food, just like libraries for books or parks for recreation.

**✓ BOTTOM LINE COMPARISON**

We can save exponentially more by investing in proven strategies.  
The large model costs 5.7x more but delivers 18x better results.

<p><b>SMALL PILOT</b> Spending \$50M to save residents \$15-20M = <b>Limited Impact</b></p>		<p><b>LARGE-SCALE NETWORK</b> Spending \$340M to save residents \$364M = <b>High Impact</b></p>
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3/17/2026

Testimony to the Committee on Economic Development

Thank you Chair Maloney, Chair Lee and the members of the Committee on Economic Development,

My name is Noah Meixler, and I serve as the Director of the Astoria Worker Project, an initiative of the Consortium for Worker Education (CWE). As the workforce development arm of the NYC Central Labor Council, CWE brings a worker-centered approach to workforce development. The Astoria Worker Project (AWP) has anchored our work in a neighborhood as we seek to build worker power and develop innovative programming and partnerships to reach underserved populations.

Over the past three years, with the support of the Council, we have built this program from the ground up, seeing steady growth each year. Our programming is designed and responsive to community feedback. We began our work with a quantitative analysis of the local economy paired with a focus group study of workers in the neighborhood. Last fiscal year, we delivered over 12,000 hours of instruction and served thousands of local residents.

Our programming includes ESL, Know-Your-Rights, finance and work readiness classes, leadership development, and cooperative business education, all delivered in partnership with unions and trusted community organizations. Our partners include, but are not limited to, UAW Local 79, 1199SEIU, Workers United, Malikah, the Ansob Center for Refugees, Woodside on the Move, the Variety Boys and Girls Club, and the AIDS Center of Queens County.

To build a more worker-centric economy, the AWP is consulting with nearly 20 businesses and nonprofits to support the launch of worker cooperatives and provide training in democratic decision-making and succession planning. This includes general recruitment classes and industry specific trainings, including cohorts with the Writers Guild of America, East, to build digital media cooperatives.

We started this program as a pilot initiative. We are now working in partnership with the Northwest Bronx Community and Clergy Coalition to replicate this model in the Kingsbridge Armory. Our vision for Kingsbridge is rooted in the same principles that have guided our work in Astoria: meeting workers where they are, investing in underserved communities, and building economic power from the ground up. We will keep the City Council informed as we continue to move this work forward. Thank you for your time.

**COMMUNITY & ECONOMIC  
DEVELOPMENT CLINIC**

**MAIN STREET  
LEGAL SERVICES**

CUNY SCHOOL OF LAW

**Testimony to the New York City Council  
Committee on Economic Development**

**Preliminary Budget Hearing for FY2027**

**March 17, 2026**

Good afternoon, Committee Chair and members of the Committee on Economic Development and thank you for the opportunity to testify. My name is Ricxu Bacus and I am the Senior Attorney in Residence at CUNY Law's Community and Economic Development Clinic.

For this Fiscal Year 27, our organization will be joining the citywide **Community Land Trust (CLT) Initiative**, and we fully support our partner organizations who have received funding through this initiative. Launched in FY2020, the initiative delivers comprehensive community organizing, education, training and technical assistance to support the formation and expansion of CLTs, as vehicles to create and preserve permanently affordable housing and promote neighborhood-led development. This vital initiative has helped catalyze the growth of more than 20 CLTs in low-income, immigrant, and Black and Brown communities across the five boroughs. A majority of these CLTs now steward land and housing or have active projects in development.

**CLTs are community-governed organizations that own and steward land.** They work with community members to ensure housing and other development on the land stays permanently affordable and benefits the surrounding community. New York City's CLTs are transforming vacant lots into community and commercial hubs, working with tenants to take ownership of buildings from predatory landlords, protecting deeply affordable housing in rapidly gentrifying neighborhoods, and much more.

**We urge the City Council to fund the CLT Initiative at \$3 million for 23 organizations in the FY27 expense budget—up from \$1.5 million for 15 groups in FY26.** This urgently needed funding will provide essential support to 19 active CLTs and four citywide organizations providing capacity-building training and tailored legal and technical assistance to CLTs. This is an increase from 13 CLTs and two citywide technical assistance providers in FY26. Enhanced funding should prioritize larger awards for advanced CLTs with multiple affordable housing and community development projects. (See attached one-pager.)

The Community & Economic and Development Clinic at CUNY School of Law (CED Clinic) has been working with CLTs across New York City for over 15 years as part of its Economic Democracy and Anti-Displacement Initiatives. Since that time, CED Clinic has supported CLTs in every form of internal transactional and compliance matters. CED Clinic has also worked

closely with the New York City Community Land Trust Initiative (NYCCLI), is a member of a TA provider group that meets regularly to discuss current CLT legal issues in NYC and is also a member of two national networks of legal scholars and practitioners working with CLTs. CED Clinic also provides workshops and presentations with community organizations to discuss the model and promote economic democracy and anti-displacement.

CED Clinic has significantly expanded its program to support CLTs and looks forward to continuing to do so with our inclusion in the New York City Community Land Trust Initiative. We are working with more than 7 start up and existing CLTs. CED Clinic is also expanding its scope of work with the CLTs to include negotiations and transactions between the CLT and other organizations, workshops and training, property transfers and transactions, and public policy advocacy support.

CED Clinic is also uniquely positioned to continue to strengthen the infrastructure that supports CLTs. The student body of CUNY Law represents New York itself. Our students and staff have social justice in their heart and sharp lived experiences to understand what makes the city thrive. I, myself, am an immigrant from the Philippines, a graduate of a NYC public high school, and now a practitioner at the largest public university in New York City. We can and know how to build the bench of CLT practitioners because New York City is our roots.

We additionally urge the City Council to support the creation of a **\$50 million CLT Fund in the FY27 capital budget**. Mayor Mamdani committed in his campaign platform to the creation of such a Fund, which is essential to enable CLTs to seize opportunities to bring land and housing into permanently affordable community control. This funding will be a game-changer for organizations like ours. We are not looking at just the acquisition buildings where the landlords have failed their businesses and their tenants, which can be sold to the community and its residents; we are also looking at generous New Yorkers that want to donate a family legacy of theirs to a better cause – addressing the affordability crisis.

**Finally, we urge the City Council to address chronic, harmful delays in registering discretionary funding contracts.** These persistent delays, over multiple years, are creating cash flow challenges for small organizations, slowing our progress, and undermining the Council's support for CLTs.

**CLTs are urgently needed to address our city's worsening affordability crisis.** I and many Filipino migrants in my community are tenants in the Astoria, Woodside, Jackson Heights, and Elmhurst area. These neighborhoods are crucial residential areas because they have access to significant train lines such as the 7 and N trains that allow us to commute to workplaces that we have in Manhattan, LIC, or Downtown Brooklyn. However, living in these neighborhoods has become more difficult as rent prices increase. We either have to choose to live together in smaller spaces to pool rent together or are forced to move further back to farther away neighborhoods. One in three New Yorkers are severely rent-burdened, paying more than 50% of their incomes on rent, and more than 100,000 people are sleeping in shelters. Between 2017 and 2021, NYC lost almost 100,000 units that had rented for less than \$1,500 per month.

**By bringing land and housing into community ownership, CLTs serve as powerful bulwarks against real estate speculation and displacement.** Enhanced funding for CLTs in the city's expense and capital budgets will enable groups to build on strong progress and meet the growing demand for CLTs. Since 1994, the Cooper Square CLT on Manhattan's Lower East Side has preserved more than 320 deeply affordable apartments and two dozen affordable storefronts in 21 buildings – and is now bringing two additional rent-stabilized buildings into CLT stewardship. In recent years, East Harlem El Barrio CLT, East New York CLT, Mott Haven Port Morris Community Land Stewards, ReAL Edgemere CLT, and others have acquired their first properties, while Western Queens CLT, Bronx CLT, and others have active projects in their pipelines.

New policies — including recently enacted land bank legislation and the Community Opportunity to Purchase Act, which we are working with the Council and administration to enact this year — stand to channel many more properties to community ownership in the coming years. It is imperative that CLTs be equipped to seize these opportunities. Enhanced CLT funding in the City's expense and capital budgets will strengthen these essential grassroots institutions as they take land and housing out of the speculative market and into permanent community control.

Thank you again for the opportunity to testify today.

Rodrigo Ricxu Bacus  
Senior Attorney in Residence  
CUNY Law, Community and Economic Development Clinic



**Testimony Submitted by  
Mikaela Perry, Advocacy Manager, Equity Advocates  
Before the New York City Council  
FY27 Executive Budget Hearing:  
Committee on Economic Development**

**March 17, 2026**

Thank you to Councilmember and Chair of this committee, Virginia Maloney, for holding the Executive Budget hearing and the opportunity to submit this testimony. My name is Mikaela Perry, and I am the Advocacy Manager at Equity Advocates, a nonprofit organization that builds the capacity of food justice leaders from across New York State to advocate collectively to dismantle food inequity through policy and systems change. We accomplish this through policy development, advocacy education and training, and coalition leadership.

Equity Advocates convenes the [NYC Food Policy Alliance](#), a network of 60+ food system stakeholders that advocate for public policies to ensure equitable access to a healthy, sustainable food system.

Last year's passage of the federal H.R. 1 bill unleashed the largest cuts to food assistance in our nation's history, leaving New York City to manage a food affordability crisis. Under H.R. 1, roughly 180,000 New York City households are projected to lose their SNAP benefits, half of whose members are children and senior citizens. Estimates suggest that 70,000 residents in our city will be pushed below the poverty line every single year starting in 2028. As the federal government retreats, the City must step forward..

We urge the Administration and City Council to enact a budget that invests in access to healthy, affordable food, strengthens urban agriculture and supports the next generation of farmers, and fosters long-term resilience and economic opportunity in the City's food system. Specifically, we respectfully request your support for the inclusion of the following recommendations in the FY27 City Budget:

- 1. Increase baseline funding to \$100 million for Community Food Connection (CFC)** to meet the growing demand for food assistance across NYC. We applaud the City Council for increasing this critical investment to \$74.5 Million in its Fiscal Year 2027 Preliminary Budget Response. Due to an 83% rise in emergency food visits from 2019 to 2024, NYC's emergency food system is under unprecedented strain. An investment of \$100 million in CFC is essential to meet the growing demand for food, address increasing food prices and cuts to SNAP, and provide critical support for vulnerable communities facing worsening affordability and food insecurity crises.

According to the 2023 New York City True Cost of Living Report, published by United Way of New York City, 50% of working age New Yorkers are struggling to cover their basic needs. Families struggling to make ends meet live in every NYC neighborhood but across family composition, work status, and education, the report finds that people of color are disproportionately likely to lack adequate income. Further, 80% of households below the True Cost of Living had at least one working adult and the presence of children in the household almost doubles the likelihood that a household will have inadequate income.

Federal Cuts to hunger programs make an already dire situation even worse. Now is the time to meet current need and prepare for the increased demand for emergency food that will likely occur due to federal actions that weaken SNAP, freeze funding for pantries and farmers, and raise food prices. Food pantries are the last line of defense against hunger for so many of our neighbors, yet these essential services are being asked to do more with less.

A substantial investment in funding for the CFC would accommodate the increased costs of adding fresh food into the program, rising cost of produce, and continued need in New York City. This increase will also help to address the inefficiencies found in using third-party vendors particularly in the procurement of kosher and halal items. Kosher- and halal-observant New Yorkers make up 21% of enrollees in GetFoodNYC. It is critical the City's food assistance programs have sufficient kosher and/or halal certified product available and allocate funding to agencies that can effectively store and distribute that food in a culturally competent way. Finally, we urge HRA to engage in an outreach and education campaign to ensure smaller, community-based providers are able to participate in the program, and are adequately supported to continue serving their communities.

2. **Increase funding for Health Bucks to \$700,000, Maintain \$3.1 Million in Funding for Get the Good Stuff, and Increase Funding for Groceries to Go to \$14 Million** to enhance reach and impact.

**Health Bucks**, New York City's longstanding farmers market SNAP incentive program, has been baselined at \$500,000 for several years, which is no longer sufficient to meet growing demand. The current \$500,000 in baselined funding for Health Bucks is divided between supporting SNAP incentives at farmers markets and providing free Health Bucks to community and faith-based organizations (CBOs) for distribution through their nutrition and health programs. In 2024, the NYC Department of Health and Mental Hygiene (DOHMH) received 600 applications from CBOs but was unable to fully fund all requests, leaving organizations underfunded or without support entirely.

By distributing Health Bucks through CBOs that integrate them into nutrition and health

programming, the program reinforces nutrition education efforts, ensuring that participants have both the knowledge and the financial resources to choose locally grown and seasonal fruits and vegetables. This incentive structure strengthens the impact of nutrition education, increasing the likelihood of sustained behavior change. Importantly, Community Health Bucks are not tied to SNAP participation, making them a vital resource for individuals ineligible for public benefits, particularly in light of federal cuts to SNAP and barriers to immigrant families' access to public assistance.

Additionally, by increasing funding for Health Bucks, local farmers and producers selling at farmers markets will see increased sales, bolstering our local economy. [Over 75% of farmers in New York State are small-scale](#), and financially bolstering this program provides an increased opportunity to support small-scale businesses, especially women- and BIPOC-owned farms.

**Get the Good Stuff**, which provides SNAP users with matching dollars to purchase fresh produce at participating grocery stores, should also be funded at \$3.1 million and expanded to include more stores and communities. The current \$10 per day match cap for SNAP incentives should be increased to further support families in purchasing sufficient ingredients for their families. As food prices have risen substantially, \$20 is not adequate to purchase fruits and vegetables to last several days, particularly for larger households. By increasing investment in these programs, the City can make fresh, healthy food more accessible to low-income communities while maximizing federal funding opportunities.

Finally, we urge the council to fund **Groceries to Go** at \$14 Million to expand the program's reach and extend the current 18-month participation limit. Groceries to Go serves a uniquely vulnerable population: NYC Care members who are ineligible for SNAP, often due to immigration status, and are managing chronic conditions like hypertension or diabetes. By providing monthly credits of up to \$270 that cover not just food, but also delivery fees and tips, this program is a lifeline for homebound New Yorkers and those with limited food accessibility options who cannot physically shop in person.

According to recent [program evaluation funded by the NY Health Foundation](#), the program's success is undeniable, with redemption rates reaching as high as 99.9% and documented improvements in participants' diet and health. The infrastructure—including a highly efficient, multi-lingual call center and a customized data system—is already in place and ready to scale. What is missing is the city's investment. Increasing funding will ensure that the City can move beyond the current enrollment of 4,000 participants and provide long-term, stable food security to those who fall through every other safety net. It is estimated that for every extra \$1 Million the city invests in this program, an additional 1100 people can enroll in this program. This does not include their household members,



which when taken into account would support an additional 1650 household members in accessing food per \$1 million investment.

Together, these three programs provide an incredible opportunity for the city to increase food security for its residents, despite cuts at the federal level. We urge the council to include funding for these programs in the FY27 Executive budget.

- 3. Allocate \$100 Million** in capital funds to support Mayor Mamdani’s initiative to develop City-owned supermarkets. Both scale and sustained operational investment will determine the success of this initiative. Achieving real affordability requires a model that operates at sufficient scale, which our partners Community Food Advocates have identified at an initial 20 stores. While the \$70 million included in the Preliminary budget is an impressive baseline amount to initiate this project, long-term success will depend on ongoing operational funding. Current projections suggest approximately \$20 million per store in annual subsidy—roughly \$100 million annually for the first five stores— is necessary to ensure sustained affordability, quality jobs, and a dignified grocery experience for New Yorkers.

We also encourage the council to consider administration of this program, and highlight the need to ensure there are pathways to source food from local and regional farmers and producers in order to ensure New Yorkers are accessing the freshest ingredients, and our local economy is bolstered. Offices such as the Mayor’s Office of Urban Agriculture have existing relationships with urban farmers within the five boroughs and farmers throughout the regional foodshed. This office in particular is primed to ensure the food in the city-owned supermarkets is purchased through values-alignment, especially from BIPOC, Women-owned, and small-scale producers. When sourcing is considered, city-owned supermarkets could be a catalyst for an initiative that spans food security, climate justice, and economic development. Through this initiative and careful administration, NYC has an unprecedented opportunity to lead as an example to other municipalities across the nation in providing accessible, affordable, local food.

The NYC Food Policy Alliance also supports the following in the FY27 City Budget:

### **STRENGTHEN FOOD SECURITY**

- **Combat older adult hunger by investing \$60 million in congregate meals at Older Adult Centers**, to account for steep increases in inflation over the last several years. In addition, ensure NYC Aging has at least \$27 Million in funding to provide homebound older adults with home-delivered meals 365 days per year.
- **Continue to fund the following Council Discretionary Initiatives:**
  - \$8.47M for the Food Pantry Initiative
  - \$2.134M for the Access to Healthy Food and Nutritional Education Initiative
  - \$1.4M for the Food Access and Benefits Initiative

### **INVEST IN URBAN AGRICULTURE**

- **Allocate at least \$250,000 to fund the Mayor's Office of Urban Agriculture (MOUA)** to ensure strong food systems, climate justice, and economic justice within the administration. MOUA has proven its impact by leading programs such as **Reimagining Farm to School in NYC** and **Values Aligned Purchasing**. These programs align with the administration's priorities of greening public schools, providing access to fresh local foods for students, increasing agricultural and climate education for youth, and supporting local farmers in NYC's foodshed. This office has seen tremendous success with a small staff, and an increased investment will only multiply their impact. Further, we urge the incoming Administration to move forward with appointing an Urban Agriculture Advisory Board, as required under Local Law 123, to strengthen accountability and space for community voice.
- **Maintain \$2.6 Million in funding for GreenThumb and \$6.2 Million for NYC Community Composting programs** to provide essential resources for community gardeners.

### **BUILD LOCAL FOOD ECONOMIES**

- **Create a \$5 million Food Justice Fund** for community-led projects designed to grow food justice and build wealth in BIPOC and low-income communities. In *Food Forward NYC*, the Mayor's Office of Food Policy calls for the establishment of a Food Justice Fund. We urge the City to invest in this program at \$5 Million and offer grants for both planning and implementation projects serving high need areas identified by Racial Equity Task Force. Funding would be allocated directly to community food organizations historically serving NYC residents with a demonstrated history of meeting the cultural and food needs of their communities. As this field of work requires long term investments, the fund should prioritize 2 year grant cycles and allow for flexibility on spending deadlines upon receiving grants. We also ask that the City explore a private-public partnership and leverage its convening power to secure matching investment from local philanthropic foundations.
- **Increase Council Discretionary funding** to \$4.9 Million for the Worker Cooperative Business Development Initiative to allow for a specific focus on those operating in the food sector and maintain \$1.5 Million for the Citywide Community Land Trust Initiative.

We thank you for the opportunity to testify and we look forward to working with the City Council to achieve these goals in the upcoming budget.

Mikaela Perry

Equity Advocates

mikaela@nyequityadvocates.org

**Testimony re: Executive Budget for Fiscal Year 2027**  
**Submitted to:**  
**New York City Council Committee on General Welfare**  
**Submitted by Yesmin Vega, Director of Economic Empowerment**

**March 17, 2026**

Thank you, Chairwoman Hudson, and Council members Avilés, Ung, Nurse, Mealy, Aviles, Stevens and Morano for taking the time to hear this testimony presented by Hispanic Federation (HF), a non-profit organization dedicated to empowering and advancing Hispanic communities through its programs and legislative advocacy.

Our network of over 780 member and partner organizations, including 200 located in New York City, are front-line service providers for our neighborhoods and communities. Despite being significantly undercapitalized and under-resourced, local community-based organizations (CBOs) remain the heart of our communities and a critical support system for Latino families. Community-based organizations are deeply embedded in our neighborhoods, providing the most vulnerable residents with food, shelter, and clothing, supporting at-risk youth in achieving academic success, assisting low-income families in obtaining health insurance, and helping workers gain the training and skills needed to achieve economic mobility. Additionally, CBOs uplift communities that might otherwise go unheard by advancing equitable opportunities that improve New Yorkers' quality of life. Today, we are asking for the expansion of key funding for the incoming fiscal year to support our growing Latino families and to ensure that the city prioritizes the allocation of resources that will improve the well-being of vulnerable communities across NYC.

Hispanic Federation is requesting that the City Council provide baseline funding of \$100 million for Community Food Connection (CFC) to support emergency food providers in battling food insecurity for all New Yorkers. Additionally, HF supports an allocation of \$25 million in the Feeding Our Communities (FOC) Council initiative in Fiscal Year 2027 to support food pantries, including Hispanic Federation and partner organizations such as Met Council and Catholic Charities.

For over 16 years, Hispanic Federation's *Lucha Contra El Hambre* hunger relief effort has been a cornerstone in improving the health and nutritional status of New Yorkers by expanding nutrient rich food to needy families across the city, and filling the gap in food items that pantries have a hard time obtaining. Through our network of non-profit member organizations and other partner agencies across NYC and its surrounding areas, HF has worked rigorously to provide fresh produce, and meats that are culturally appropriate for the diverse communities across the region.

Our on-the-ground service providers are essential in reaching those in need and are trusted amongst vulnerable Latino communities throughout the city. In 2025, *Lucha Contra El Hambre* provided over 1.3 million meals, including Thanksgiving turkeys and Christmas pernils, impacting over 100,000 underserved families living in NYC.

In the face of new, deepening cuts to once-stable federal funding, it is now more important than ever for NYC to meet the needs of our most vulnerable communities. These reductions are impacting federal nutrition programs that food banks and pantries rely on, including the Supplemental Nutrition Assistance Program (SNAP) and The Emergency Food Assistance Program (TEFAP). For example, due to cuts, we have heard from organizations that they have had to reduce the amount of food they offer, resulting in fewer families being served.

One of the largest threats to a population's overall health and safety is food insecurity, which disproportionately impacts Black and Latino New Yorkers. According to the NYC's 2025 Food by the Numbers report, more than 1.78 million New Yorkers are receiving assistance from SNAP, which is a 3% increase from 2023. This increase in SNAP participation comes as food prices have risen by nearly 30% since 2019. Furthermore, although overall food insecurity is on the rise across all boroughs of NYC, the Bronx, which has the largest Latino population, has the highest rate of food insecurity compared to other boroughs. The rising trend in food insecurity demonstrates why programs like HF's *Lucha Contra El Hambre* are vital in providing food, such as fresh fruits and vegetables, to pantries in underserved communities.

Hispanic Federation recognizes the City Council's support and continued commitment to providing hunger relief for vulnerable New Yorkers and calls upon the NYC Council to baseline CFC at \$100 million and continuing FOC at \$25 million. We thank you for your time and look forward to working with you all to serve New Yorkers in need of culturally responsive food assistance and hunger relief services.



## **TESTIMONY**

Preliminary Budget Hearing:

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

### **Presented to**

New York City Council hearing, Committee on Economic Development  
Hon. Virginia Maloney, Chair  
Tuesday March 17, 2026

### **Prepared By:**

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

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Thank you Chair Maloney and Honorable Council Members of the Committee on Economic Development for the opportunity to testify. My name is Catherine Murcek and I am a worker-owner at two NYC-based businesses—the Samamkaya Yoga Back Care & Scoliosis Collective and Oasis Solidarity Collective—and I am an elected member of the Advocacy Council coordinated by the NYC Network of Worker Cooperatives (NYCNoWC), a partner organization of the Worker Cooperative Business Development Initiative (WCBDI). Our community of democratic worker-run businesses is predominantly led by women and people of color, representing communities across the five boroughs and a wide array of industries from cleaning to catering, manufacturing, media, childcare, and more. Thanks to the City Council's support over the last decade, our city has the largest network of cooperatives in the United States! I am testifying today to ask you to please **continue to support the great work of WCBDI** by enhancing their funding to **\$5,097,082**, and I also urge you to **ramp up efforts to regulate commercial rents** for small businesses across the city to protect us from displacement from our neighborhoods.

The first cooperative I joined, Samamkaya Yoga Back Care & Scoliosis Collective ([www.samamkayabackcare.com](http://www.samamkayabackcare.com)), is a very special, small studio focusing on the therapeutic applications of yoga for people with a wide range of body types and ability levels, including those with Scoliosis, herniated discs, spinal fusion, and we even have an adaptive yoga class for folks with more limiting disabilities. In this way we work in support of disability justice by giving all bodies access to a yoga practice. Our business formed in 2015 when a group of instructors highly skilled in therapeutic yoga for back issues were feeling exploited and underappreciated at another studio and decided to start their own worker cooperative, which is, in other words, a business that is co-owned and democratically-run by its workers.

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

Joining Samamkaya as a worker-owner nine years ago has been a truly transformative experience for me. In an industry where most yoga instructors are accustomed to being treated as independent contractors, to be able to have a vote in decisions about the business that will affect its members was deeply empowering. In addition, because cooperatives are built on certain principles including concern for community, one worker one vote, and training and education for its members, it has felt incredibly rewarding to be part of a values-driven business. Cooperatives allow the freedom to get involved in different aspects of the business that one

might not have thought of before; to learn and grow in new ways. For example, I joined my co-op's Finance Committee, not because I have any special expertise, but so I can learn and grow more comfortable understanding our business's finances. Furthermore, every member has incentive for the business to do well because every member is financially and energetically invested in the business and will do what it takes to see the business succeed.

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

We were hopeful when SBS announced the Employee Retention Grant and Small Business Continuity Loan, but we were not eligible for the grant because we all work part-time and we really could not consider taking on more debt at this time since we still have a large debt from our start-up costs. For that reason we were extremely grateful to have access to technical support from WCBDI partners and a couple small grants specific to worker co-ops. This support provided pro bono legal services with TakeRoot Justice to help us with the negotiation of our lease and NYCNoWC's Cooperative Sustainability Fund which allowed us to pay for consulting sessions to help us manage some communication and distribution of labor challenges during the transition, and to strategize for the future. NYCNoWC's grant fund has also been a huge support for my other co-op, Oasis Solidarity Collective, which is made of a diverse group of worker-owners with the mission of providing training and education on worker cooperatives and meeting facilitation services with an anti-oppression lens. The Cooperative Sustainability Fund allowed us to cover the cost of a new website as we go through a re-branding strategy.

Even though both of my small cooperative businesses are surviving, it is incredibly difficult to thrive in this economic environment. While Samamkaya was one of the fortunate few small businesses I know of to have been able to negotiate our rent, we did so on the condition that we renew our lease for another ten years, during which period our rent will gradually rise to "market rate". Unfortunately, this means our future remains uncertain because our numbers have not recovered to pre-pandemic levels and we have very limited opportunities for growth due to the small capacity of our space and the limits to how much people are willing to pay for yoga. Further, the suggestion that commercial rents reset to a reasonable level post-pandemic is a myth, as well-loved, viable businesses continue to close every year due to unreasonable rent hikes—a problem that has existed well before the pandemic. Most cooperatives in NYC cannot even afford to rent space for their business because the rents are so prohibitive. Commercial tenants have extremely limited protections from being pushed out by exorbitant rent hikes or evictions, even when they have built a community around their space and spent tens of thousands of dollars building it out specific to their needs, as my yoga co-op has. This causes the death of so many viable, well-loved businesses, like two of the yoga studios I used to work

for before they sadly had to close because their landlords were not so reasonable. Other traditionally-run studios I know of either reduced teachers' pay and number of classes, let go of teachers, or even closed their doors indefinitely. Because of the resiliency of the cooperative model, and because of the wonderful support offered by the WCBDI partner organizations and the cooperative ecosystem, I am more convinced than ever that cooperative businesses are necessary for building a strong and resilient economy. Further, the overall system should not be based on the luck of the draw and the whims of the particular landlord that you end up with. A fair and just system of **commercial rent stabilization** would help small businesses like mine to feel secure enough to plan for the future and would protect the cultural fabric of our great city.

I urge the City council to continue **to support and build on the Worker Cooperative Business Development Initiative, enhancing its funding to \$5,097,082** so that all the incredible partner organizations involved can continue providing legal services, education, and technical assistance to our growing community of locally-driven community-focused businesses. The way that the initiative partners coordinate and collaborate with each other is groundbreaking and shows a real commitment to economic democracy within development in addition to empowering small businesses through workplace democracy. They continued uninterrupted services throughout the pandemic and in many cases added services that were outside their original plans, like workshops to help worker owners respond to the crisis, information about available resources, and support for loan and grant applications. They provided informational workshops on the Corporate Transparency Act and the state-level LLC Transparency Act when cooperative businesses were concerned and confused about complying. They are also putting additional efforts into Know Your Rights workshops for our immigrant community members who are facing the fear and stress in the current racist moment where ICE has increased in power and strength. The initiative also ensures that worker-owners have "a seat at the table" when making important decisions through the leadership skill building program of NYCNoWC's Advocacy Council, which gives worker-owners the training and support they need to bring their voices to policy spaces. NYCNoWC also does a lot to ensure worker-owners in NYC are well-informed and engaged on important policy efforts.

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

business is profitable, but their resources are limited and they need your support. Please refer to [www.workercoop.nyc](http://www.workercoop.nyc) for more info about our municipal policy priorities.

Finally, in coalition with and in support of aligned sister organizations, I urge you to support long term community-driven efforts toward a just economy by supporting the following. **1) Reintroduce** the former Intro 93 for **commercial rent stabilization, Draft a version A, and hold a hearing on it.** City council needs to take this very seriously in order to protect our broader small business community from future continued closures and displacement in the aftermath of the pandemic. Rents were already too high before the pandemic began, so we need long-term solutions to prevent further displacement of small businesses across the city. Landlords should not be allowed to quadruple a small business's rent in order to get the highest bidder into a commercial space, pushing out a local small business in favor of a wealthy chain store, but there is currently no law preventing that. **2) Please consider a new round of grant opportunities--as opposed to loans--with expanded eligibility and language access to allow for more types of small businesses** to get back on their feet on the long road to economic recovery. **3) Fund community-based organizations engaged in merchant organizing and outreach** to give small businesses across the city the voice they deserve. **4) Increase accessibility to SBS services for Limited English Proficiency immigrant small business owners** by expanding language capacity within the agency. **5) Preserve permanent funding** for the **Commercial Lease Assistance program** in the budget.

In conclusion, democratic workplaces in our most vulnerable communities help protect against wealth extraction by building up community wealth, the capacity for community self-determination, and by protecting jobs and wages. My cooperative community members and I urge you to continue to support the great work of WCBDI by enhancing their funding to **\$5,097,082** and to build on all efforts that prioritize the protection of NYC's women, immigrants, and BIPOC small business workers from displacement—to ensure a just economy for all, not just the wealthy few. Thank you for your work and for considering my testimony.



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## **East New York Community Land Trust**

### **Testimony to the New York City Council Committee on Economic Development — Preliminary Budget Hearing**

March 17, 2026

The East New York Community Land Trust, founded in 2020 by residents of East New York and Brownsville, works to prevent displacement, real estate speculation, and support community and cooperative ownership in the neighborhoods of East New York and Brownsville. We do this through community organizing, planning, and providing permanently affordable housing and commercial space on community-owned and democratically-governed land.

We are currently in contract to purchase a commercial building at 161 Jamaica Avenue, a 9,500 square foot historic building, which will become the East Brooklyn Liberation Center. The Center will be a community stronghold that will house ENYCLT's rapidly expanding membership and staff, provide a safe, non-policed space for tenant and member meetings, trainings, and ICE defense support, offer deeply affordable, long-term space for cultural organizations like Preserving East New York and the East Brooklyn Archives, and **create deeply affordable workshop and office space for worker cooperatives and solidarity economy businesses.**

There is a tremendous need for affordable commercial space like the East Brooklyn Liberation Center in East New York and Brownsville. Recent and forthcoming public and private investments at Broadway Junction — only a few blocks from 161 Jamaica — along with the 2016 East New York Rezoning, are putting upward pressure on commercial rents in the area. This places significant burdens on small non-profits like the ENYCLT, Preserving East New York, and the East Brooklyn Archives. In our conversations with potential worker cooperatives that would also use the space, they have told us that they are having a hard time finding affordable space for their work.

**We are asking the City Council to include a \$50 million Community Land Trust Acquisition Fund in the 2027 budget.** The program should include the following elements:

- **Commercial property acquisition as an allowable use of funds.** While CLTs often focus on providing permanently affordable, democratically-controlled housing (which we also do), others take a more holistic approach to community and economic development. Supporting these efforts will strengthen economic development efforts in communities like ours and support City efforts to bolster Worker Cooperative development by providing deeply affordable space.
- **Pre-qualification and pre-approval.** We and other CLTs in the City focus on taking property out of the speculative market to insulate businesses, nonprofits, and residents from soaring prices and property market volatility. In doing so, we compete against private buyers who have capital on hand for acquisition. It would also increase the likelihood that sellers would engage and negotiate with nonprofits since a line for funding has already been established. A pre-approval process, conducted

through an annual Request for Proposals, would allow CLTs to define the general project scope and, if approved, have a year to identify a property that meets the project budget and scope. CLTs would then submit a detailed project package that would be approved or denied by the program administrators, ideally within 30 days. Part of an approved project budget should be made available for technical assistance and a down payment. A pre-approval component is a feature of a similar housing acquisition program administered by the City of Toronto and has allowed the preservation of more than 1,000 affordable housing units by CLTs and Indigenous-led housing organizations — which could be adapted in New York City to include commercial property acquisition.

- **No or low-cost financing.** Ideally, the program would operate as a grant program to promote deeply affordable rents for commercial spaces. If it is determined that a grant program is not feasible, the cost of capital should be below 3% to support affordability.
- **Financing should be forgivable.** If not a grant program, loans should be forgivable. To ensure that affordability is maintained over the long-term, loans could be forgiven at a rate of 1% per year for 99-years, the typical length of a CLT ground lease.

While we are successfully fundraising and securing financing for our purchase of 161 Jamaica, a CLT Acquisition Fund that follows the structure outlined above would provide a clearer and more efficient pathway for providing sorely needed affordable commercial space.

It would also address the unnecessary delays and barriers that are characteristic of existing programs. For example, Brooklyn Borough President Antonio Reynoso's office offers acquisition support through the Brooklyn Nonprofit Acquisition Fund (BNAF). Although well-intentioned, the program is unsuitable for most commercial property acquisitions. This is largely because the BNAF has an inflexible timeline that aligns with the City Budget process and the Office of Management and Budget's notoriously slow review process. Project applications must be submitted in February and decisions are sent to nonprofits in September. From a practical standpoint, this means that a nonprofit must have already identified a property prior to February *and* be working with a seller that is willing to wait months to know if the nonprofit will be able to enter into a contract. In most cases, this is untenable for sellers who would prefer to enter into contract with a nonprofit and close in the time it takes the BNAF to simply make a decision. While we applaud and support Brooklyn Borough President Reynoso's efforts to provide support to nonprofits through the BNAF, we are also keenly aware of its limits due to the City's frustratingly slow approval process. For us and many others, the BNAF is simply not an option.

A \$50 million CLT Acquisition Fund would provide a workable option. It would allow CLTs to deliver deeply and permanently affordable commercial space that will promote equitable economic development, entrepreneurship, and strengthen community-led work in communities such as East New York, Brownsville, Sunset Park and others across the City.

**Testimony to the New York City Council: Committee on Economic Development  
March 17, 2026**

My name is Hannah Berson. I am a member of the Western Queens Community Land Trust.

The Western Queens CLT has received City Council discretionary funding through the citywide **Community Land Trust (CLT) Initiative**. Launched in FY2020, the initiative delivers comprehensive community organizing, education, training and technical assistance to support the formation and expansion of CLTs, as vehicles to create and preserve permanently affordable housing and promote neighborhood-led development. This vital initiative has helped catalyze the growth of more than 20 CLTs in low-income, immigrant, and Black and Brown communities across the five boroughs. A majority of these CLTs now steward land and housing or have active projects in development. **This CLT funding from the Council is a crucial way that we ensure just economic development in the communities that are historically underresourced and left behind in the city's rapid development into a place that is ever-harder for working people to survive. By funding grassroots organizations like CLTs - community-governed organizations that own and steward land - City Council helps communities ensure that some of our land stays permanently affordable and benefits our own communities.** New York City's CLTs are transforming vacant lots into community and commercial hubs, working with tenants to take ownership of buildings from predatory landlords, protecting deeply affordable housing in rapidly gentrifying neighborhoods, and much more.

**We urge the City Council to fund the CLT Initiative at \$3 million for 23 organizations in the FY27 expense budget—up from \$1.5 million for 15 groups in FY26.** This urgently needed funding will provide essential support to 19 active CLTs - including mine in Western Queens - and four citywide organizations providing capacity-building training and tailored legal and technical assistance to CLTs. Enhanced funding should prioritize larger awards for advanced CLTs with multiple affordable development projects.

At the Western Queens CLT we've hosted town halls, potlucks, a block party, tabling at community events, and our first general meeting in September! We've met with tenant associations, tenant organizers, artists businesses and other Queens organizations to discuss the CLT model and opportunities. We've submitted our RFEI for the Department of Education building in LIC, which represents our robust, community-driven vision for a community hub of affordable workspaces for artists, small business owners and non-profits to stay and work in LIC. I encourage this committee to take a close look at our proposal as a serious model for just economic development in LIC and beyond - at a time when our city is struggling to retain the businesses and workers that make it thrive.

Finally, I urge the City Council to:

- Support the creation of a \$50 million CLT Fund in the FY27 capital budget.
- Address the chronic, harmful delays in registering discretionary funding contracts. These create significant cash flow challenges for small organizations such as ours, slowing our progress and undermining your support for our work.
- Support the Third Party Transfer and COPA bills. COPA was passed by City Council in December, but vetoed by Mayor Adams on his way out the door. Mayor Mamdani has publicly backed COPA, and we need City Council to again lift up its support of this crucial policy.

Thank you for your support for Community Land Trusts and our vision for a more just economic development so that all of our neighbors can remain here in NYC and thrive.



TESTIMONY

Jorge Xoyatla

*Member*

Worker's Justice Project  
*Proyecto Justicia Laboral*

*Presented to:*

New York City Council Committee on Economic Development

Hon. Virginia Maloney, Chair

Tuesday, March 27, 2026

**Economic and Workforce Development  
for Immigrant Workers**

Good afternoon, Chair Maloney and members of the New York City Council's Economic Development Committee.

My name is Jorge Xoyatla and I am a member of Worker's Justice Project, a worker-led organization that represents thousands of immigrants working in the construction, cleaning, and app-based delivery industries. Worker's Justice Project and members like me are organizing these sectors to ensure safe conditions for the thousands of workers who keep New York City running.

I am a construction worker and a proud participant in two city-funded workforce development programs operated by Worker's Justice Project: their OSHA and SST training programs for construction workers, and their community job center. These programs have helped me obtain the certifications needed to work in construction and to find jobs with good wages that comply with labor laws. They have also helped thousands of workers learn about their rights, as many have a history of wage theft or labor abuses.

New York City has a responsibility to invest in, protect, and care for the immigrant workers who keep our city's economy running.

Council-funded programs and services — such as the Day Laborer Workforce Initiative, the Construction Site Safety Initiative, Low-Wage Worker Support, and Immigrant and Women Worker Support — are essential in helping immigrants access the services they need to continue building our city.

We urge the New York City Council to continue investing in these important initiatives that ensure immigrant workers have the resources they need to keep our city moving, advance economically, and create shared prosperity for all New Yorkers.

I appreciate the opportunity to present this testimony. Thank you very much.

Buenas tardes, Presidenta Maloney y miembros del Comité de Desarrollo Económico del Concejo de la Ciudad de Nueva York.

Mi nombre es Jorge Xoyatla y soy miembro de Worker's Justice Project, una organización liderada por trabajadores que representa a miles de inmigrantes que trabajan en las industrias de la construcción, limpieza y entrega por aplicaciones. Proyecto Justicia Laboral y miembros como yo estamos organizando estos sectores para asegurar condiciones seguras para los miles de trabajadores que mantienen a la Ciudad de Nueva York en funcionamiento.

Soy trabajador de la construcción y un orgulloso participante de dos programas de desarrollo de la fuerza laboral financiados por la ciudad y operados por Worker's Justice Project. Sus programas de capacitación OSHA y SST para trabajadores de la construcción y su centro comunitario de trabajo. Estos programas me han ayudado a obtener las certificaciones para trabajar en construcción y a encontrar trabajos con un buen salario y cumplen con las leyes laborales. También han ayudado a miles de trabajadores a aprender sobre sus derechos, ya que muchos tienen una historia de robo de salario o abusos laborales.

La Ciudad de Nueva York tiene la responsabilidad de invertir, proteger y cuidar a los trabajadores inmigrantes que hacen funcionar la economía de nuestra ciudad. Programas y servicios financiados por el Concejo, como la Iniciativa de Fuerza Laboral para Trabajadores Jornaleros, la de Seguridad en Sitios de Construcción, Apoyo para Trabajadores de Bajos Salarios, y Apoyo para Trabajadores Inmigrantes y Mujeres, son fundamentales para ayudar a los inmigrantes a acceder a los servicios que necesitan para seguir construyendo nuestra ciudad.

Instamos al Concejo de la Ciudad de Nueva York a continuar invirtiendo en estas importantes iniciativas que garantizan que los trabajadores inmigrantes tengan los recursos que necesitan para mantener nuestra ciudad en movimiento, avanzar económicamente y crear prosperidad compartida para todos los neoyorquinos.

Agradezco la oportunidad de presentar este testimonio. Muchas gracias.

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

in favor  in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Anton Fredriksson

Address: \_\_\_\_\_

I represent: NYCEDC

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

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Date: \_\_\_\_\_

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Name: Joshua Kraus

Address: \_\_\_\_\_

I represent: NYCEDC

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

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in favor  in opposition

Date: \_\_\_\_\_

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Name: Jeanny Pak

Address: \_\_\_\_\_

I represent: NYCEDC

Address: \_\_\_\_\_

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

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

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in favor  in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Shehila Stephens

Address: \_\_\_\_\_

I represent: NYCFDC

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

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in favor  in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Jennifer Montalvo

Address: \_\_\_\_\_

I represent: NYCFDC

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

in favor  in opposition

Date: 03/17/2020

(PLEASE PRINT)

Name: Yesmin Vega

Address: 55 Exchange Pl. #501, NY, NY 10005

I represent: Hispanic Federation

Address: 55 Exchange Pl # 501, NY, NY, 10005

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

**THE COUNCIL**  
**THE CITY OF NEW YORK** CITY COUN  
MATTER MARKER

Appearance Card

[ ]

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_  
 in favor  in opposition

Date: MARCH 17

(PLEASE PRINT)

Name: FRANCIS YU

Address: \_\_\_\_\_

I represent: COMMUNITY FOOD ADVOCATES

Address: \_\_\_\_\_

**THE COUNCIL**  
**THE CITY OF NEW YORK**

Appearance Card

[ ]

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_  
 in favor  in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Noah Meixler

Address: \_\_\_\_\_

I represent: Consortium for Worker Education

Address: \_\_\_\_\_

**THE COUNCIL**  
**THE CITY OF NEW YORK**

Appearance Card

[ ]

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_  
 in favor  in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Ligia Gualpa

Address: \_\_\_\_\_

I represent: Workers Justice Project

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

in favor  in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Jorge Lizyayaffall Rojas

Address: \_\_\_\_\_

I represent: Workers Justice Project

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

in favor  in opposition

Date: 3/17/26

(PLEASE PRINT)

Name: Hannah Berson

Address: \_\_\_\_\_

I represent: Western Queens Community Land Trust

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

in favor  in opposition

Date: 3/17/26

(PLEASE PRINT)

Name: Noah Meixler

Address: Astoria, Queens, NY

I represent: Consortium for Worker Education

Address: 305 7<sup>th</sup> Ave., New York, NY

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