

TESTIMONY

BY

DEPUTY COMMISSIONER RACHEL VAN TOSH

NEW YORK CITY

DEPARTMENT OF SMALL BUSINESS SERVICES

BEFORE

THE COMMITTEE ON SMALL BUSINESS

&

THE COMMITTEE ON VETERANS

OF THE

NEW YORK CITY COUNCIL

TUESDAY, JUNE 20, 2017

Good morning Chair Cornegy, Chair Ulrich and members of the Committees on Small Business and Veterans. My name is Rachel Van Tosh and I am the Deputy Commissioner of Business Services at the Department of Small Businesses Services (“SBS”). At SBS, we aim to unlock economic potential and create economic security for all New Yorkers by connecting them to quality jobs, building stronger businesses, and fostering vibrant neighborhoods across the five boroughs. Today, I am pleased to testify on Intros 1509, 1510 and 1511, as well as share information about the work we do to support our veterans.

On a personal note, our conversation today is especially important to me. Both of my grandfathers were veterans who lived in New York City and returned after their service. When they returned home, my grandfathers were able to find jobs and start businesses after serving their country – and that’s how they supported my family for the rest of their lives. One was fortunate enough to attend watch-making school through support from the government, allowing him to open a small jewelry shop on Canal Street that he operated for forty years in the same location. Just as past veterans have returned home with necessary support to succeed, my hope for every veteran who returns home to New York City today is that they have every possible opportunity to build a strong foundation for themselves and their families.

Veterans’ success in employment and entrepreneurship is very important to SBS and aligns with our vision of creating equity of access to opportunity in NYC. At the beginning of this administration, SBS—in partnership with the Mayor’s Office of Veteran Affairs, now Department of Veteran Services—released an extensive report on SBS services that support and empower veterans. This includes **Priority 1**, a tailored set of

services for veterans and their spouses available through our network of 20

Workforce1 Career Centers, where SBS also provides recruitment expertise, industry knowledge, and skill-building workshops to match candidates to jobs. SBS has 12 dedicated Veteran Specialists, most of whom are veterans themselves, at Workforce1 Career Centers across the City. These Veteran Specialists work as a team to recruit veterans to Workforce1, prioritize veterans for staff appointments and all career, training, and job connection services. Specialists also deliver one-on-one career development support, which includes military to civilian resume translation and interview assistance. We work closely with the DVS and even have a DVS outreach coordinator placed at our Downtown Brooklyn location. In FY16, Priority1 connected over 1,300 veterans and their spouses to employment. We are on track to serve as many veterans in FY17 and have seen a 5.0% increase in wages as compared to FY16. Workforce1 is committed to serving our veterans and is continually making every effort to ensure our clients have access to good paying jobs in fast growing industries.

As I know from my own family history, small businesses provide opportunities for veterans to achieve economic security and create jobs. Through seven **NYC Business Solutions Centers** across the five boroughs, SBS provides free, accessible services to local businesses, including how to secure financing and access City benefits.

Understanding the unique barriers faced by veteran entrepreneurs, SBS offers specialized courses tailored to veterans. For veterans who are looking to start their own business, we offer "10 Steps to Starting a Business for Veterans" which builds upon our existing course, but also incorporates unique content for veteran entrepreneurs. For veterans that are ready to follow through with their business plan, SBS offers a forty

hour course specifically for veterans. The curriculum, called FastTrac, is a global entrepreneur education program that equips aspiring and established entrepreneurs with business skills and insights, tools, and peer networks to start and grow successful businesses. To date, we have reached 52 veterans through these courses. As the Department of Veterans Services continues to grow, we are eager to collaborate to connect the veteran's community to these programs and our other services. We would also welcome the opportunity to work with the Council to spread the word about these resources to your constituents.

I will now discuss each of the bills on today's agenda, beginning with Intro 1511, which would require SBS to prepare and disseminate a state of small business survey. As the Deputy Commissioner for Business Services, I am committed to ensuring that we are providing services that are directly addressing the needs of New York City's small business owners. We regularly receive feedback from customers who access services through our Business Solutions Centers. However, an empirical survey would help identify additional obstacles that slow business creation and growth. We would not only be interested in assessing workforce needs, but also issues related to their operations, infrastructure and access to capital. However, while SBS supports the goals of this legislation, we do not have the necessary resources to complete this survey in a way that would produce meaningful results. Moreover, SBS would need at least one year following any necessary procurement to complete the survey.

Intro 1510 would require SBS to create a comprehensive workforce development plan based on the survey. Since we do not yet know the results of the survey, it would be premature to commit to developing a particular response such as a comprehensive

workforce development plan, at this time. Instead, we would propose engaging with the Council to discuss potential deliverables based on an analysis of the results, once the survey was completed. .

Intro 1509 would require SBS to post business tools online. We agree with the Chair that it is critical to make business resources accessible, which is why we committed to do so through Small Business First. Since the release of the Small Business First report, SBS has been working diligently with multiple agencies and businesses to launch the NYC Business Portal, a one-stop-shop for businesses to access all related City resources through one portal. Recently we launched several features on the site, including a new landing page as well as the ability to create an account from any device so that users can access information regarding their licenses, permits, and Inspections with DOB, FDNY, and DOHMH as well as pay for violations with DOHMH and ECB. It also includes licensing questionnaire and an incentives estimator, which allow businesses to identify necessary licenses and permits when starting a business and learn about incentive programs they qualify for.

Once the portal is complete, businesses will be able to seamlessly conduct online transactions with City agencies including applying for or renewing licenses and permits, making payments, and checking the status of applications. Moreover, business owners will be able to receive alerts about upcoming renewal deadlines. . We are also working with all relevant City agencies such as DCA, DOHMH, FDNY, DEP, DOF, DOT, TLC, SBS, and DOB to ensure that information on the site is current and accurate. Additionally, we recently created plain language start-up guides for sixteen industries, such as retail, construction and manufacturing. While we support this legislation's goal

of making business information accessible and have been doing so through our portal, we must note that it poses significant legal issues to connect commercial goods or services or to promote or endorse particular applications on City websites, as required by this bill.

As you can see, we do a lot for the jobseekers and small businesses of New York City but there is always more to be done. We appreciate the Council's advocacy and attention to veteran employment and entrepreneurship and look forward to continuing this conversation with you. Jamal Othman will now provide brief testimony on the work of the Department of Veterans Services after which I would be happy to answer questions. Thank you.



Testimony of Jamal Othman
Assistant Commissioner for the New York City Department of Veterans' Services (DVS)
Joint Hearing on Intro. 1509, Intro. 1510, Intro. 1511 and Reso. 1412
New York City Council Committee on Small Business &
New York City Council Committee Veterans
250 Broadway Committee Room, 14th Floor
1:00 pm, June 20th, 2017

Good afternoon, Chair Cornegy, Chair Ulrich, and members of the Committee on Small Business and the Committee on Veterans. My name is Jamal Othman and I have the privilege of serving as the Assistant Commissioner for City Employment, Education, Entrepreneurship, Events, and Engagement of the New York City Department of Veterans' Services (DVS). Thank you for the opportunity to meet and hear our testimony on Intro. 1509, Intro. 1510, Intro. 1511 and Reso. 1412 alongside my colleague Rachel Van Tosh, Deputy Commissioner of the New York City Department of Small Business Services (SBS). In my current role, I have the responsibility of leading the Department's city-wide campaign to connect veterans and their families with employment opportunities, educational resources, financial services, and business opportunities – in fact – any resource they may be eligible for as a result of their military service – regardless of discharge status.

As a Marine Corps veteran myself, I have a personal connection and vested interest in the economic prosperity of the veterans we serve - because I am one of them. The challenges of reintegrating into our communities after military service is not a onetime life event - it's a lifelong journey. And at DVS, we want to be part of that veteran's journey all along the way, including increasing access to resources to our veteran business community.

DVS has always had a close working relationship with our colleagues at SBS. DVS regularly identifies veteran-friendly businesses committed to hiring veterans and insure they are connected to SBS for consideration as a supplier of jobs to Workforce 1 Career Centers.

Our Community Outreach Coordinators regularly refer and make warm handoffs to Workforce1 Career Center Veteran Specialist. Furthermore, DVS and SBS recently launched a collaboration where one of our Outreach Coordinators is hosted at a local Workforce1 Center working alongside a Veteran Employment Specialist.

Currently, we have an outreach coordinator holding office hours at the downtown Brooklyn WorkForce1 site, where we have been performing warm hand-offs of veterans seeking employment and workforce development opportunities. The intention is creating a concerted holistic approach to addressing the needs of New York City veterans by both DVS and SBS.

With regard to the legislation being considered today, DVS supports Int. 1511 which proposes to require Small Business Services to prepare and disseminate a state of small business survey. We

believe one of the biggest challenges we face as veteran service providers is not knowing what we don't know. The results of such a survey can help inform SBS and DVS to better provide tailored programs and target particular unmet needs in a data-driven approach; and DVS stands ready to assist SBS in that endeavor.

In relation to Int. 1510 which proposes to require Small Business Services to formulate a comprehensive workforce development plan based on the results of the state of small business survey we concur with SBS. It would be premature to identify programmatic approaches until the results of such a survey identifies gaps in services and community needs.

Int. 1509 proposes to require the commissioner of Small Business Services to post online business tools on their website. We also concur with SBS. In fact, DVS is currently revamping its website and planning to rollout a dedicated landing page listing tools and resources, from SBS, as well as other federal, state, and city sources. Design and content will be consistent with advice received on acceptable linking from nyc.gov and restrictions on endorsement of particular commercial goods or services.

Additionally, as we previously testified, DVS will be launching VetConnectNYC, an online portal for veterans and their families that provides a single access, no wrong door approach for veterans to be connected to best in class, vetted, public and private resources. VetConnectNYC is in the procurement phase and we expect to launch this fall.

Finally, Reso. 1412 would formally declare the date of June 22nd Veterans Tribute and Advocacy Day in New York City. Nearing the culmination of the Second World War, on June 22, 1944, President Franklin Delano Roosevelt signed the Servicemen's Readjustment Act of 1944, more commonly known as the G.I. Bill, into law. This landmark piece of legislation guaranteed servicemen benefits to pursue education, homeownership, and entrepreneurial opportunities. DVS supports Reso. 1412, as this date represents a critical milestone in our nation's history in acknowledging the service and sacrifices of our veterans, as well as the stalwart efforts of our veterans advocate community which heavily influenced the passage of the G.I. Bill.

I want to thank you the members of the council and in particular, the community whose feedback we value.

This concludes my testimony. I'd be delighted to take any questions.



**Brooklyn Chamber
of Commerce**

**The
Brooklyn
Alliance**

June 20, 2017

Written testimony submitted by the Brooklyn Chamber of Commerce to the NYC Council Committee on Small Business; and Committee on Veterans regarding the matters being heard today

Good Afternoon Chairs Cornegy, Jr. and Ulrich, other members of both committees, and guests. I am Avi Leshes, Government Affairs Director at the Brooklyn Chamber of Commerce, and staff liaison for the Brooklyn Chamber's Veterans Business Council. I am delivering testimony on behalf of Andrew Hoan, President and CEO of the Brooklyn Chamber.

With over 2,100 active members, the Brooklyn Chamber is the largest Chamber of Commerce in New York State. We promote economic development across the borough of Brooklyn, as well as advocate on behalf of our member businesses. The Brooklyn Alliance is the not-for-profit economic development affiliate of the Brooklyn Chamber, which works to address the needs of businesses through direct assistance programs.

The Brooklyn Chamber is generally supportive of Int. 1509 which seeks to further enhance the current accessibility and organization of online business tools on the NYC Small Business Services website. We are optimistic that this committee and NYC Small Business Services can work together to implement enhancements over time, which will create additional benefits to small businesses that utilize such online functions.

We are also supportive of Int. 1511, which would initiate data collection by NYC Small Business Services for analysis, as it relates to workforce needs of small businesses; and also Int. 1510 which would help this agency create a comprehensive workforce development plan based on the results of the said survey.

In the Brooklyn Chamber's own 2016 State Member Issues Survey, fifty-two percent of participants indicated that they plan to hire 1 to 5 new employees in 2017. However, thirty-three percent said that finding and hiring qualified workers is a problem. The small business survey and workforce development plan that is being required in both proposals will help to better identify key issues in finding qualified employees and present information that will help agencies to make informed decisions on ways to effectively address those issues. The training programs outlined in the proposal is a very important pillar in this process, since it will save small businesses time and money on having to train workers themselves.

Furthermore, the Brooklyn Chamber is very supportive of more opportunities for veteran entrepreneurship and employment. In 2013, we started a much-needed discussion on veterans' needs with the launch of the Brooklyn Chamber Veterans Council. The goal of the council is to advocate on behalf of veterans, veteran-owned businesses, and not-for-profits that further the veteran reintegration process.

To this end, the Brooklyn Chamber, in partnership with NYU Tandon School of Engineering, received federal funding in 2016 to help veterans become entrepreneurs. Key components of this program include business development services, education and technical support, access to technology and mentorship from existing veteran entrepreneurs. This is one of a number of initiatives that the Chamber and its partners within the veteran community are working on, and which we hope will help to provide the much-needed resources that veteran entrepreneurs need.



**Brooklyn Chamber
of Commerce**

**The
Brooklyn
Alliance**

On the other hand, creating tax incentives for businesses to hire veterans will help to reduce unemployment among this valuable group of workers; and such a measure would ultimately have a positive effect on improving our economy.

In terms of boosting both entrepreneurship and employment among veterans, it is very important that there are veteran liaisons in every city agency. Veteran liaisons will play a critical role in advising agencies on the issues facing veteran business owners, and workers, while also providing assistance to those who need it.

Finally, Brooklyn is home to New York City's only remaining active duty military base, Fort Hamilton. The Fort has been in existence for almost 200 years and its economic and cultural impact in Southern Brooklyn is still significant today. We highly recommend a focused initiative between Fort Hamilton and veteran entrepreneurs, and workers to include, but not be limited to training, mentoring and technology access upon their discharge.

Thank you for the opportunity to testify in this matter.

AH/mc



NYC Veterans Alliance

www.nycveteransalliance.org

www.ourveterans.nyc

Testimony by

Kristen L. Rouse
Founding Director
NYC Veterans Alliance

**Joint Hearing:
Committee on Small Business and
Committee on Veterans**

June 20, 2017

My name is Kristen Rouse. I served for more than 20 years of combined service in the United States Army, Army Reserve, and the New York National Guard, which included three tours of duty in Afghanistan. I am here today to testify on behalf of the NYC Veterans Alliance, a member-supported, grassroots policy advocacy and empowerment organization serving veterans, servicemembers, and their families across the New York City metropolitan area. I am also the president and director of the NYC Veterans Alliance, a corporation registered in New York State.

I applaud this joint hearing for considering the needs of veteran entrepreneurs and business owners in New York City. Veteran business owners have not received significant public attention from NYC government since 2014, when SBS and MOVA jointly produced a report concluding that there should be no focused program for veteran-owned businesses in city contracting. The report surveyed only a small pool of veteran-owned businesses and estimated NYC's number of veteran-owned businesses. As many of us noted at the time, the findings of that report were stunningly low, even going so far as to contradict the much higher number of veteran entrepreneurs that had been reported in 2007 U.S. Census figures for NYC. Yet this report is what has stood as a bar to making veteran-owned businesses competitive for city contracts, forcing veterans who seek lucrative government contracts to seek eligibility for existing federal and state contracting set-asides in the continued absence of city set-asides for veteran businesses. In 2015, the policy paper produced by my organization pointed out the flaws in the city's 2014 report, and recommended that NYC set a goal of 3% for contracts with service-disabled veterans—the mandated minimum for federal contracting—and work toward reaching that goal as it currently does with M/WBEs. This has not, however, been addressed, and I appreciate being able to discuss this again before you today.

SBS has offered a training program for veteran business-owners, but it is offered during daytime work hours, making it challenging for currently employed veterans to attend. Additionally, outreach materials—which are currently difficult to find by navigating DVS and SBS websites—simply do not inspire the confidence of veterans that the course would be worth their while. Veterans have turned to nonprofit or academic ventures like Bunker Labs and NYU Tandon's programs for veterans to launch and incubate their business ideas. And all the while, veterans seeking information about the city's oldest entrepreneurial venture for veterans—street

vending—still must navigate murky regulatory guidance between different city and state agencies just to determine how to attain a license, let alone operate successfully.

All of this is to say that any workforce development plan or online business tools offered by NYC government must include wording and materials specific to veterans and their needs, to include eligibility for state and federal contracting set-asides. Any small business survey must seek to capture data on both disabled and non-disabled veterans that was not adequately surveyed in 2014 in order to better meet the needs of our large and growing community of entrepreneurs.

Furthermore, I would like to take this opportunity to encourage all members of the NYC Council to support passage of Intro. 1259, which the NYC Council has the opportunity to pass this week. We greatly appreciate proposed resolutions stating in words that veterans are to be honored and appreciated, but I urge all Council members to support Intro. 1259, which will not simply offer words, but meaningfully include veterans and military members in our city's human rights law, giving them local recourse to address the ongoing discrimination in housing and employment that they currently face. I urge in particular Council Members Maisel and Cabrera, members of the Veterans Committee, to sign on as co-sponsors of 1259. I urge Council Member Eugene, who is currently sponsoring a resolution to honor veterans, to also sign on as a co-sponsor of 1259. I further urge all members of the Committee on Small Business to sign on as co-sponsors as well. Passage of Intro. 1259 will have a tangible, meaningful impact on the lives of veterans, military members, and their families. Please support its passage without delay.

On behalf of the NYC Veterans Alliance, I thank you for the opportunity to testify today. Pending your questions, this concludes my testimony.

Testimony of the Partnership for New York City

New York City Council
Committee on Small Business

Int. No. 1510: Small Business Workforce Development Plan

Int. No. 1511: State of Small Business Survey

June 20, 2017

Thank you Chair Corney and members of the committee for the opportunity to testify on Int. Nos. 1510 and 1511. The Partnership for New York City represents the city's business leaders and largest private sector employers and we work to enhance the economy of the five boroughs of New York City.

New York's 188,000 small businesses are the backbone of the city's neighborhoods, representing 89 percent of all businesses and employing almost 20 percent of our workforce. Little is understood, however, about the workforce needs of small businesses. The Partnership supports Int. No. 1511 requiring the city to conduct a survey of small businesses to inform the public and private sectors of how we can jointly assist small businesses in meeting their workforce needs. The city should design a survey that can be completed quickly to ensure maximum participation.

The Partnership also supports Int. No. 1510 requiring the city to incorporate the results of the survey into a workforce development plan for small businesses. Both large and small businesses in New York City have difficulty identifying and hiring employees with the skills they need. They also have difficulty connecting to the city's workforce development services, such as Workforce1 Centers or the customized training programs offered by the Department of Small Business Services. Many businesses are not aware these services exist or do not know how to access them. Small businesses are the most likely to lack the time and resources to seek assistance.

Contractors for the city's workforce development programs are incentivized to work with large employers to meet their numerical service targets. Small businesses are also harder to serve because they often need employees who can perform multiple instead of highly specialized functions. They may also require more support with onboarding or training new hires. In contrast to the many Council bills that impose new burdens on small business, these bills are intended to help the city better respond to their needs and, at the same time, increase employment. We welcome this approach and hope you will do more along these lines.

**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: Towafic Komatsy

Address: One Penn Plaza

I represent: Self

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: 6/20/17

(PLEASE PRINT)

Name: Rachel Van Tosh

Address: 110 William St NY NY

I represent: NYC Dept Small Business Services

Address: see above

**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: 6/20/17

(PLEASE PRINT)

Name: Kristen Rouse

Address: 180 S Oxford St #2 Brooklyn 11217

I represent: NYC Veterans Alliance

Address: PO Box 532 NY NY 11217

**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: 6/20/17

(PLEASE PRINT)

Name: JAMAL CHAMAN

Address: _____

I represent: DUS

Address: Centre St.

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

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

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

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Regina Coak Smith

Address: NYC DSBS - 110 William Street

I represent: NYC DSBS - DEFO

Address: same

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

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

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

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: AVI KESHES

Address: 335 ADAMS ST

I represent: BROOKLYN CHAMBER OF COMMERCE

Address: _____

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

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

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

in favor in opposition

Date: 10/20/17

(PLEASE PRINT)

Name: Jellean Jones-80

Address: 149-16 41st Ave Apt 3R Flushing NY

I represent: SBS

Address: 110 William St

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