

**TESTIMONY**

**BY**

**COMMISSIONER KEVIN D. KIM**

**NEW YORK CITY**

**DEPARTMENT OF SMALL BUSINESS SERVICES**

**BEFORE**

**THE COMMITTEE ON SMALL BUSINESS**

**OF THE**

**NEW YORK CITY COUNCIL**

**MONDAY, MARCH 14, 2022**

Good afternoon Chair Menin and members of the Committee on Small Business. My name is Kevin D. Kim and I am the Commissioner of the New York City Department of Small Business Services (“SBS”). I am joined by SBS First Deputy Commissioner Jackie Mallon and members of my senior leadership team. I am pleased to testify today on SBS’s Fiscal Year 2023 Preliminary Budget.

At SBS, through the work of our four divisions, we aim to unlock economic potential and create economic security for all New Yorkers by connecting them to good jobs, creating stronger businesses, and building vibrant neighborhoods across the five boroughs.

Our Division of Economic and Financial Opportunity is focused on helping the City’s MWBEs connect to more government contracting opportunities.

Our Division of Business Services helps businesses of every size and sector start, operate, and grow in NYC.

Our Neighborhood Development Division equips community-based partners, including Business Improvement Districts (“BIDs”), with the resources needed to help our commercial corridors thrive.

And, last but not least, our Workforce Development Division works to increase access to quality trainings and jobs for all New Yorkers.

SBS’s Fiscal Year 2023 Preliminary budget is \$178.5 million with a headcount of 294 employees. Our budget includes \$85.9 million in pass-through funding to other City entities, including the NYC Economic Development Corporation (“EDC”) (\$48.5M), NYC

& Company (\$21.1M), and Governors Island (\$16.3M). We serve as a conduit for funding to these other City entities, and thus, do not spend or manage any of those funds. The remaining \$92.6 million, or 51.9% of the FY23 Preliminary Budget, is allocated for SBS' own programs and services.

But before we talk about FY23 and the future, I would like to ask you to take a moment to recall the onset of the pandemic when so much was unknown. Estimates of the potential impact to businesses and workers varied widely — ranging from incidental to catastrophic and changing daily. Under these unprecedented circumstances, SBS staff worked tirelessly to rapidly deploy resources to all those who relied on us - small businesses, jobseekers, community partners, and anyone who called our newly-created hotline. Among the things the team at SBS accomplished are having:

- Delivered **10,000 grants of \$10,000 each** to small businesses via the Small Business Resilience Grant program
- Expanded the **Commercial Lease Assistance** program, which served close to 300 businesses in the first half of FY22
- Developed and launched **new training programs** — like Future Code, a web development program designed to address the unique challenges of under-represented tech pros, including Black and Latinx New Yorkers
- Partnered with over 1,600 employers to connect more than 33,250 New Yorkers to **new jobs**
- Significantly upgraded the **MWBE online directory**, so that customers could more easily connect to MWBE businesses

- Delivered nearly 4,000 instances of **technical assistance to MWBE** businesses seeking government contracting opportunities
- Provided more than \$5.8M in grants to 75 CBDs working in low-to moderate-income communities via programs like **Avenue NYC and Open Streets Grants**
- Worked with the 76 **BIDs** to address quality of life challenges, and helped them to invest \$167M in supplemental services to serve more than 93,000 businesses

I am personally in awe of the high level of service the women and men of SBS provided during the pandemic. It is truly an honor to call them my colleagues today.

### **Looking forward**

SBS' work in FY23 will be shaped by our commitment to equity and greater opportunity for all. We will focus on the people who need our help the most and who have received the least. We will promote equity and economic opportunity at every turn. We will work in close partnership with private industry, philanthropy, labor, community-based organizations, elected officials, and other City agencies to achieve our goals.

Last week, Mayor Adams announced several of our top priorities for FY23 in his Economic Blueprint. For example, we will:

- Expand our **concierge service** that provides businesses a sole point of contact to help navigate City requirements, regulations, and site visits.
- Co-Lead the implementation of the Executive Order #2, also known as "**Small Business Forward**," in partnership with Deputy Mayor Maria Torres Springer and the City's Chief Efficiency Officer, Melanie La Rocca

— together we will reform existing business regulations to ensure businesses face fewer fines and penalties.

- Partner with Chief Technology Officer Matt Fraser to improve the **NYC Business Portal** — allowing every business in New York City to execute and track interactions with the City in real-time.
- Suspend NYC fees on **liquor licenses** for two years and streamline the license application process.
- Expand access to business education and resources in **languages other than English** — and work closely with community groups that support immigrant entrepreneurs to align our services with community needs.
- Launch the **Small Business Opportunity Loan Fund** to meet the financing needs of local businesses and address critical gaps in access to capital, especially among LMI, immigrant and BIPOC entrepreneurs.
- Expand our pilot program that offers modest **stipends** to low-income and traditionally underserved participants in select occupational training.
- Partner with employers in the **tech sector** to meet their growing workforce needs with local, diverse talent.
- Upskill New Yorkers for in-demand roles in the **healthcare sector**, including via our Nurse Residency program and our programs that help foreign-trained nurses achieve NYS credentials.
- Provide long-term annual **funding to the smallest BIDs** (under \$500k) so that they can offer more robust services, improve merchant outreach, and better connect businesses to City services.
- Bring financial empowerment **Mobile Units** to neighborhoods across the five boroughs, offering on-site assistance including free tax prep, financial counseling, and job training enrollment.

At SBS, we are committed to fulfilling Mayor Adams' clear and bold agenda to ensure the future of the city's economy is built on equity and inclusivity. We know that working closely with the City Council is critical to achieving this shared goal. Together,

we can rebuild, renew, and reinvent NYC. I look forward to our continued partnership and thank you for your time today. I welcome any questions you may have for me or my team.



PUBLIC ADVOCATE FOR THE CITY OF NEW YORK

# Jumaane D. Williams

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**TESTIMONY OF PUBLIC ADVOCATE JUMAANE D. WILLIAMS  
TO THE CITY COUNCIL COMMITTEE ON SMALL BUSINESS  
MARCH 14, 2022**

Good afternoon,

My name is Jumaane D. Williams and I am the Public Advocate for the City of New York. I would like to thank Chair Menin and members of the Small Business Committee for holding this hearing. I also extend my congratulations to SBS Commissioner Kim on his appointment and look forward to working more closely with you.

As we see the light at the end of this pandemic, small businesses are still reeling from its long-term economic impacts. The pandemic has immensely hurt small businesses, which provide our city with jobs, tax revenue, and invaluable neighborhood character; they are one of the backbones of this city. In Spring 2020, most were required to close for what was at the time an indefinite period of time without comprehensive financial buffers or safety nets. Many small businesses—approximately half helmed by immigrants—fell through the cracks as language access faltered and an increased reliance on technology left low-tech, mom-and-pop businesses in the dark. Consequently, many small business owners did not have the means to reopen their businesses once allowed, effectively shutting down and rendering them without income.

It would be a disservice to all small business owners if we do not commit to providing long-term security through financial programs and accessible educational initiatives. This is why it is unacceptable to see that the city funding outlined in the FY 2023 preliminary budget for SBS is \$124 million, down roughly 30% from FY 2022's city funding of \$184 million. The preliminary budget shows Neighborhood Development, Workforce Development, and Economic and Financial Opportunity all decreasing as well. What message would the city be sending to small businesses if SBS is cut by over 30 percent? I worry that future cuts will only weaken SBS, which in turn will hurt small businesses at a time when they need long-term and sustainable solutions.

## **M/WBEs**

Action must be taken to further support minority, immigrant, and women-owned businesses, many of which were unable to receive or apply to relief programs run by the city, state, and federal governments. A 2021 report from the Local Initiatives Support Corporation NYC shows that nearly a third of minority-owned small businesses were expected to lose their workforce and be forced to shut down.<sup>1</sup>

I have cited in prior testimony the disappointing results of the Economic Injury Disaster Loan program, which distributed less than 1% of its mere \$49 million in funds to Bronx businesses.

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<sup>1</sup> [https://www.lisc.org/media/filer\\_public/0c/c7/0cc7ff2f-c7fc-4f36-a942-52f53717db1a/community\\_survey\\_lisc\\_nyc-final.pdf](https://www.lisc.org/media/filer_public/0c/c7/0cc7ff2f-c7fc-4f36-a942-52f53717db1a/community_survey_lisc_nyc-final.pdf)



PUBLIC ADVOCATE FOR THE CITY OF NEW YORK

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Over 45% of small businesses in the Bronx are owned by people of color.<sup>2</sup> It is disappointing that the City did not work harder to ensure equitable distribution of funding to small business owners across the five boroughs, in particular to the minority-owned businesses that were disproportionately affected by the pandemic.

To truly commit to supporting M/WBEs, the City must ensure government programs and resources can reach these businesses. This will be possible through partnerships with trusted community-based organizations and an increase in critical translated materials. While most small business resources are available in a handful of languages, access should be expanded to include the multitude of languages spoken by the City's entrepreneurs.

### Legislation and Non-traditional Small Businesses

Additionally, I also remain steadfast in my push for **Int. 1990**, which I introduced in 2020 and would require SBS to create an interest-free loan program for small businesses, non-profit organizations, and freelance workers who were forced to close or operate at reduced capacity due to the pandemic. Even as the city opens up, the economic impacts of the past two years will be seen for years to come, and we must establish a program that will keep small businesses amongst others on their feet.

We must also develop a system for evaluating small and struggling businesses within our communities. Post-pandemic, we need to identify the pandemic's impacts on our businesses, which I advocated for with the introduction of bill **Int. 2126-2020**. The bill would have require SBS to report on revenues lost, jobs eliminated, and businesses permanently closed due to the pandemic, disaggregated by key categories. With clear data, we can easily identify which neighborhoods that were gravely hit and determine which areas need the most assistance. SBS can help to identify these businesses with a database of small businesses that request loans and grants, which could then be split by neighborhoods, zip codes, and census tracts. The intention with this is to analyze and visualize the hardest hit industries and neighborhoods, leading to concrete policy decisions.

Other priorities include bolstering support for the 20,000 street vendors in New York City, who are continuously subject to targeted police enforcement. Street vendors are some of the most vulnerable business owners, many of whom are people of color and undocumented immigrants. Street vending also provides a lifeline to those who lost their jobs during the pandemic or faced increased difficulties in the job market. Some of these vendors received monetary relief from the State's Excluded Workers Fund, but the City needs to step up and expand access to SBS services and programs regardless of immigration status.

The City also needs to support worker co-ops, small businesses that are both owned and controlled by their workers. This is an innovative workplace model that develops sustainable

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<sup>2</sup> Dalberg Analysis, 2020; US Census Bureau - Survey of Business Owners (SBO), 2012.





PUBLIC ADVOCATE FOR THE CITY OF NEW YORK

## Jumaane D. Williams

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entrepreneurial opportunities for communities that have historically lacked access to business ownership. In the FY 2023 preliminary budget, the Worker Cooperative Business Development Initiative (WCBDI) is completely cut, which cannot be allowed to happen. I am advocating for the program to remain at the \$3.8 million it is currently funded. Worker co-ops are one of our best bets to ensure that communities who would traditionally not engage in small business work have a means to sustain their livelihoods.

### **Looking Ahead**

Lastly, the new mayoral administration recently outlined in their report, “Rebuild, Renew, Reinvent” a number of commitments to small businesses. They include launching a small business opportunity fund, investing in Business Improvement Districts, reforming and expanding the city’s M/WBE program, and ensuring small businesses face fewer unnecessary fines and penalties, amongst others. While these plans are promising, I fail to see how their successful implementation and sustainability are possible with significant budget cuts to SBS. Evident in my recommendations, SBS needs additional funding, not a reduction, in order for the needs of small businesses to be met. There are no cutting corners here. We need to do our due diligence to support the small business owners who are the economic, social, and cultural backbones of New York City. I look forward to working with you all to ensure that the City does not leave any small businesses behind. Thank you.



## **NYC COUNCIL COMMITTEE ON SMALL BUSINESS**

**Monday, March 14, 2022, 2:30 p.m.**

**Subject: New York City Council Budget and Oversight Hearing**

### **Testimony of the Volunteers of Legal Service Microenterprise Project**

Good afternoon. My name is Julia Currie, and I am a staff attorney with the Volunteers of Legal Service (“VOLS”) Microenterprise Project. VOLS was established in 1984 and our purpose is to leverage private attorneys to provide free legal services to low-income New Yorkers to help fill the justice gap. We serve and assist the most vulnerable members of the New York City community with some of the most pressing legal issues in multiple facets of their lives.

For over 20 years the VOLS Microenterprise Project has helped existing and aspiring small business owners and microentrepreneurs access high-quality free legal services from our dedicated staff and our network of pro bono attorneys. For many New Yorkers, owning a small business is an effective path out of poverty and into financial stability and independence. VOLS provides assistance with drafting contracts, reviewing government documents, protecting intellectual property, and advising on commercial leases. We partner with community and economic development organizations to connect with clients who would benefit from our legal assistance, focusing on minority, women, immigrant, and veteran-owned businesses. We conduct legal educational programs for small businesses owners throughout the City and advocate for the small business community through our participation in community outreach and small business coalitions.

VOLS is one of a small handful of legal services organizations offering direct legal assistance to small businesses owners and microentrepreneurs in New York City, who otherwise would not be able to afford legal representation. We would like to thank the New York City Council for the support provided to the VOLS Microenterprise Project through the Neighborhood Development Grant Initiative.

I joined VOLS in February 2020, about three weeks before our City shut down due to the COVID pandemic. In those initial weeks of uncertainty, the small business community was in crisis. The VOLS Microenterprise Project was a resource for our clients, leading know your rights trainings and producing guides for small business owners on the impact of the virus and the mandatory restrictions on and/or closures of their businesses. Since March 2020, our team has served hundreds of small businesses in great need in the wake of the COVID-19 pandemic.

While working to address legal emergencies within this ongoing crisis, our team has also managed to continue to serve businesses attempting to carry on the day-to-day practice of running a business. This includes assisting in areas such as forming, re-structuring, and dissolving entities; negotiating and litigating contract disputes; drafting employment, digital, and service contracts; reviewing insurance policies; and registering intellectual property rights, among dozens of other issue areas. In addition to the legal matters directly handled by our staff, we have been able to tap into our broad network of law firms to connect small businesses to volunteer attorneys through our pro bono program, in order to meet the intense demand for services.

As we emerge from the Pandemic and the City continues to reopen, small businesses, both established and new will need legal services. Established businesses may need assistance reviewing employee or vendor agreements or renegotiating the terms of their lease. A new business that opens in the City will require assistance to form an entity, negotiate a new lease, or draft agreements. VOLS is a unique resource in that we are able to provide these kinds of full-scale business services to our small business clients free of charge.

Despite the great need there is a general lack of affordable legal resources for small businesses in New York City. According to a 2019 report from JP Morgan Chase Institute, at least 45% of small businesses in New York City studied held just 15 days of cash reserves in case of an emergency<sup>1</sup>. The average hourly rate of an attorney practicing business law in New York City is between \$300-400.00 per hour<sup>2</sup>. Moreover, it is standard practice for private attorneys to require an upfront retainer covering 5-10 hours of work. These legal fees are a non-starter for New York City small businesses in urgent need of legal services.

Our attorneys spend at least 15 to 25 hours on each case for our clients. We are able to do this because our clients do not have to worry about mounting legal fees. They know I will spend the time necessary to get them the best result possible for them. Financial support from our funders, including the New York City Council helps makes this possible.

We cannot do this work for the New York City small businesses without your support and partnership. Thank you for your steadfast championing of the New York City small business community.

Julia Currie, Esq.  
Staff Attorney

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<sup>1</sup> <https://www.jpmorganchase.com/content/dam/jpmc/jpmorgan-chase-and-co/institute/pdf/institute-place-matters.pdf>

<sup>2</sup> <https://www.clio.com/resources/legal-trends/compare-lawyer-rates/ny/#:~:text=The%20typical%20lawyer%20in%20New,an%20attorney%20in%20New%20York.>



## **Testimony for New York City Council Budget Hearing on Small Business**

*March 14, 2022*

Thank you, Chair Menin and members of the Council Committee on Small Business for holding this hearing and giving the public an opportunity to testify. My name is Ahyoung Kim and I am the Associate Director of Small Business Programs at the Asian American Federation (AAF). AAF represents the collective voice of more than 70 member nonprofits serving 1.5 million Asian New Yorkers.

### State of Asian American Small Businesses in NYC

Since early 2020, Asian American small business owners across the state have struggled greatly against the economic turmoil caused by the COVID-19 pandemic while coping with the threat of anti-Asian hate crimes. From July to August 2020, AAF conducted a survey to assess the impact of the pandemic on Asian small business owners across the state, through which we collected over 300 responses<sup>1</sup>. The majority of survey respondents had answered that their business was operating in limited capacity at the time of the survey, and over 31% of them said their business was temporarily closed. Over 99% of business owners reported a decrease in revenue—55% of them suffering from over 75% loss in revenue. At the same time, over 60% of respondents said they are worried for the safety of themselves, their staff and business establishment.

### Equitable Access to Assistance

Amidst this backdrop, Asian American small businesses across the state were left in the dark when it came to critical assistance. Without community-based outreach plans and meaningful language access that meet small business owners where they are, assistance programs ended up failing to reach mom-and-pop small businesses. This lack of access to information and capital created a perfect storm for our small business community. As a result, many of our small business owners are still unable to access assistance programs such as the NYS COVID-19 Pandemic Small Business Recovery Grant Program.

Another element that barred many small business owners from securing working capital through the State grant was the business viability requirement. While the concern of sustaining a ‘failing’ business with tax money is understandable, the current requirement turns a blind eye to common business practices on the ground.

In contrast, we saw many improvements in the NYC Small Business Resiliency Grant from SBS. In-language materials were provided at the launch of the program and the agency removed the burden to prove business viability for applicants to reflect the state of business on the ground. Unfortunately,

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<sup>1</sup> Findings of this survey was published in AAF’s 2021 Report: Kim, A., Khan, R., & Shih, H. (2021). Small Business, Big Losses. Asian American Federation. [https://www.aafederation.org/wpcontent/uploads/2021/05/Small\\_Biz\\_Survey.pdf](https://www.aafederation.org/wpcontent/uploads/2021/05/Small_Biz_Survey.pdf)

because this program was limited to businesses located in LMI neighborhoods or those in the tourism industry, many small business owners were still unable to apply for this opportunity. In addition, the limited pool of funds led to an early close of the application period. As a result, immigrant small business owners with LEP and limited access to information often did not even know about this program or did not have enough time to prepare an application. We request that the Council allocate significant funds for small business owners who are in need of assistance to ensure a fair chance of recovery for all New York businesses.

On the bright side, the expansion of the Commercial Lease Assistance program and dedicated funds to increase outreach to hard-to-reach communities through trusted CBOs has led to more access to this valuable resource for immigrant small business owners. On the ground, our staff are coming across more concerns over rent burden and landlord harassment every day and the increased language access in this program has significantly raised awareness about the CLA program when it's needed most. We look forward to continued efforts in ensuring language access for critical services such as legal counsel.

### Inaccessible Administrative Procedures

On top of financial woes, our small business owners also experience great hardship in communicating with city agencies or staying up-to-date on critical information such as new regulations or assistance.

Inspection practices on the ground have been especially toxic for immigrant small business owners with limited English proficiency. Some concerns we have heard are as follows:

- Language barriers are left unaddressed:
  - Inspectors do not inform business owners of their right to language access or how to ask for interpretation. Some owners report inspectors are more hostile to the business owners upon realizing they don't speak English, and that asking for clarification has led to punitive actions like more tickets with little explanation.
- Disruptive inspections that last for hours during peak business time, thus leading to revenue loss
- Inconsistent standards between different inspectors creating confusion about codes and violations.
- Lack of instruction on how to follow up on a violation leading to businesses who cured the violation still owing fines because of missing administrative documents.

Inspection practices caused the most damage to our small businesses during the earlier months of the pandemic, when new regulations were announced and implemented on extremely short notice. We were very encouraged to see efforts to curb inspection woes in the implementation of the Key to NYC Initiative. The constant communication with trusted partners through the Asian American Small Business Task Force facilitated by SBS allowed better outreach. More importantly, the prioritization of educating business owners about new regulations instead of penalizing them with punitive measures was greatly welcomed by the small business community. Unfortunately, we are starting to see inspection practices returning to the pre-pandemic level of harshness. Small business owners who have been struggling to stay afloat throughout the pandemic do not have the bandwidth to endure harsh inspections at this time. We respectfully request City Council to encourage education-focused inspection practices, and to stay engaged with the agency in its future efforts to curb violations through the "Small Business Forward" Executive Order.

The experience of the COVID-19 pandemic has also shed light on the lack of disaster preparedness in our small business community. The Asian American community was disproportionately affected by Hurricane Ida in both financial terms and loss of life. In the aftermath of the hurricane, it became evident that LEP business owners find emergency assistance measures inaccessible due to language barriers. While SBS's

initial outreach efforts to assess small business damages was encouraging, the lack of follow-up and direct assistance after assessment left many disappointed.

In light of the above concerns, AAF requests the following:

- Grant \$1 million in funding to the AAF Small Business Program. With this funding, we would:
  - increase outreach efforts to immigrant Asian American small businesses in areas unserved by traditional models such as BIDs or Chambers of Commerce,
  - increase organizational capacity to provide technical assistance in more Asian languages,
  - continue and expand merchant organizing efforts in Asian American business corridors, and
  - continue facilitating conversations between immigrant small business groups and city agencies.
- Allocate more funding to small business assistance grant programs that cater to the needs of immigrant small businesses who have been left out of preexisting programs due to burdensome eligibility and documentation requirements.
- Support the agency's efforts to increase language access for LEP owners by:
  - encouraging the agency to prioritize language capacity in hiring processes,
  - fostering grassroots activity and civic engagement from immigrant small business owners through continued efforts of Task Force meetings and culturally competent outreach efforts, and
  - encouraging the agency to shift the focus of language access from marketing-oriented approaches to client-facing services.

We look forward to continuing to work closely with you to connect our immigrant small business community to available resources and assistance. Thank you for this opportunity to submit our testimony and please do not hesitate to reach out if you have any questions.



**Testimony to the NYC City Council  
Committee on Small Business  
Preliminary FY23 Budget Hearing**

March 14, 2022

Chair Menin and Members of the Committee on Small Business:

The Association for Neighborhood and Housing Development (ANHD) is one of the City's leading policy, advocacy, and capacity-building organizations. Our membership consists of over 80 neighborhood-based and city-wide nonprofits that have affordable housing or equitable economic development as a key part of their mission. We work with our members to build community power and ensure the right to affordable housing and thriving, equitable neighborhoods for all New Yorkers.

ANHD is also a member of United for Small Business NYC and the Industrial Jobs Coalition. USBnyc is a coalition of community organizations fighting to protect New York City's small businesses and commercial tenants from the threat of displacement. The Industrial Jobs Coalition is a citywide alliance of community groups, policy advocates, and service providers fighting to protect and expand the industrial sector in New York. It includes most of the designated Industrial Business Service Providers, who are responsible for overseeing and supporting the city's Industrial Business Zones.

In 2021, ANHD partnered with the Department of Small Business Services (SBS) on the COVID-19 Commercial District Support Grant, through which we provided technical assistance and capacity building support to nearly 30 nonprofits doing merchant organizing throughout the five boroughs. This grant program allowed nonprofit staff to work directly with small businesses owners to identify and apply to available funding opportunities and was crucial to achieving some stability in commercial corridors. However, these organizers and advocates identified that the resources available were not enough to meet the massive need that they were seeing on the ground. **Planning for full, equitable small business recovery must include significant funding to address these gaps in the FY23 budget, both through direct funding for small**



businesses and through SBS programs like the Industrial Business Service Provider (IBSP) Program and the Commercial Lease Assistance (CLA) Program.

### **Direct funding for small businesses**

During the COVID-19 shutdown of spring 2020, countless small businesses lost months of revenue but they still had to pay rent on their space, leading to tens of thousands of dollars in rent arrears and potential eviction and bankruptcy. With the expiration of the statewide eviction moratorium, the potential for eviction looms closer and closer each day for those small businesses with crushing rent debt.

Government programs made available thus far have fallen short. Paycheck Protection Program loans were not available for sole proprietors and businesses with other models—like barber shops that rent out chairs—and ANHD analysis shows that PPP loans were less likely to reach businesses in low-income communities and communities of color.<sup>1</sup> State-level funding through ESD grants were also restrictive. Businesses that came into operation after March 1, 2019 were excluded, and those that did not have positive income in 2019 were denied. Although funding was made available through SBS, many potentially eligible business owners were not able to apply within the short timeframe during which the application portal was open.

For businesses shut out of these opportunities, accessible relief funding from the City is the difference between resolving their debt and continuing to operate, and shuttering. **Opening up new direct relief grants is crucial to an equitable small business recovery in New York City.**

In addition to opening up more SBS grant programs, the existing resources and support services must be expanded in order for that funding to reach those with the most critical need. As we look toward recovery, it is critical to recognize the invaluable work that nonprofit service providers do in helping those businesses succeed.

### **Industrial Business Service Provider (IBSP) Program**

The 40,000 industrial firms in the city's Industrial Business Zones (IBZs) are supported by non-profit IBSPs. The IBSPs help retain and grow industrial businesses by providing training and technical assistance, workforce development services, access to financing, business planning, and support in accessing government programs, including registering Minority and

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<sup>1</sup> <https://anhd.org/blog/new-yorks-small-businesses-left-out-paycheck-protection-program>





Women Owned Business Enterprises (MWBEs). They also play a critical role in connecting industrial and manufacturing businesses to each other, fostering a local ecosystem of economic benefits and helping to keep production jobs in NYC.

**We urge the council to restore and expand funding for the IBSP program in the Small Business Services budget, so the essential businesses in our Industrial Business Zone can continue to thrive, grow, and help lead a more just economic recovery.**

In a City where affordable and accessible industrial land is scarce, IBSPs play a key role in supporting business retention, which is critical to an equitable economic development strategy. The industrial sector pays higher wages and offers more career opportunities to a workforce that is 80% people of color and 50% foreign born. In 2019, New York's manufacturing jobs paid an average annual wage of \$69,161. At the same time, food service jobs paid \$30,685 per year, and retail jobs paid \$38,450. Appropriate levels of funding for the IBSPs will ensure that they are able to serve the many businesses that rely on them for support and counseling. Industrial businesses keep New York City running, provide opportunities for upward mobility and are essential to an equitable recovery.

### **Commercial Lease Assistance (CLA) Program**

Since its launch in 2018, the CLA program has been the only available resource for free legal assistance for small business owners, the need for which pre-existed COVID-19 and has drastically increased amidst the pandemic. **The CLA program and its providers now play a critical role in the small business ecosystem, and it is necessary to ensure continued baseline funding for the program.** In addition, we would like to see the program expanded such that it can also provide support to non-profit organizations with leasing and other commercial tenancy matters. Non-profit organizations play a critical role in the New York City economy and should be provided with the same commercial leasing support as traditional small businesses.

We ask that the Council prioritize direct grants for small businesses and fully fund the Industrial Business Service Provider program and the Commercial Lease Assistance program in the FY23 budget in order to bring stability back to all of New York City's small businesses in our commercial and industrial corridors.

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**From:** Jay G <jay@bluestockings.com>  
**Sent:** Monday, March 14, 2022 2:38 PM  
**To:** Testimony  
**Subject:** [EXTERNAL] Small Business Testimony

I am one of the worker-owners of Bluestockings Cooperatives, located in Manhattan. This business started as a feminist space and has evolved into a LGBTQIA+ bookstore and resource center.

We have been open for 22 years and we are a bookstore and community space. We remain open today in large part thanks to Brooklyn Legal Services Corporation A.

Through my Brooklyn A attorneys, Jeff and Bill, I was able to get the support I needed to address landlords who refused to make necessary repairs.

With Brooklyn A's help we were able to get those repairs, and negotiate a rent reduction.

This would not have been possible without Brooklyn A. The Commercial Lease Assistance Program has been a lifesaver for small businesses like my own.

Please make the Commercial Lease Assistance Program permanent because that is how you support small businesses like mine. The issues my business faced are

1. Facing difficult landlords
2. Understanding our legal rights as small business owners
3. Keeping up with resources that city and state offer, and support with understanding if we qualify

Without Commercial Lease Assistance we would have had no help because legal fees are unaffordable. Brooklyn A and CLA are what stand between NYC small businesses like my own and all the odds that are stacked against us.

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**Jay** (she/they)  
Bluestockings Cooperative  
Worker-Owner

[bluestockings.com](http://bluestockings.com)



Business Outreach Center  
Network Inc.

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[www.bocnet.org](http://www.bocnet.org)

The New York City Council

Committee on Small Business

March 14, 2022

**RE: Oversight - SBS's Response to COVID-19**

Dear Committee Members:

My name is Ryan Cagle, and I am here representing the Business Outreach Center Network known as BOC Network or BOC, and our Executive Director Nancy Carin. BOC Network together with its CDFI lending affiliate, BOC Capital Corp., pursue an economic justice mission.

I'm here to ask the Council to sustain its support for SBS and its long-standing community partners.

BOC Network, with offices and community partners in all five boroughs, helps diverse small businesses start, expand and gain market opportunities, and most recently to survive and recover. BOC Capital is well known as a Contract Financing lender with NYC and recently stepped up as an SBA PPP lender. During the pandemic, BOC Network staff joined BOC Capital to provide over \$33 million in 1,452 SBA PPP loans. BOC Capital also launched an Entrepreneurs of Color Covid-19 Relief Fund to support underserved small businesses.

BOC is a resource for small businesses at every stage of business development, for sector-specific assistance for child care and construction businesses - with a staff that includes speakers of over 10 languages. BOC collaborates with NYC Small Business Services (SBS) in

multiple roles, including as an Industrial Business Service Provider serving “Queens Central” and “Brooklyn East” service areas, including 6 of the City’s 21 Industrial Business Zones.

Our decades-long history of serving NYC-based immigrant and minority-owned businesses became a critical line of support during the Covid-19 pandemic. BOC joined with coalitions including the Bronx Business Organization Coalition, Industrial Jobs Coalition, Manufacturing and Industrial Innovation Council (MiiC), and others, including partners working to support employee-ownership, to expand our impact, network of resources, and knowledge sharing practices.

BOC’s collaboration with SBS proved to be a critical component of this work. We ask the Council to sustain its support for SBS and its long-standing community partners.

As we move towards economic recovery we must ensure support for the network of Industrial Business Service Providers, and organizations like BOC, that can additionally leverage federal and state small business development and recovery funding. Together our support for immigrant, minority and women-owned businesses will preserve communities and change lives.

Thank you,

Ryan Cagle, Industrial Business Account Manager

BOC Network

[rcagle@bocnet.org](mailto:rcagle@bocnet.org)

718-766-8278

CC:

Nancy Carin, Executive Director

[ncarin@bocnet.org](mailto:ncarin@bocnet.org)

BOC Network

BOC Capital Corp.

Quincy Ely-Cate, Director of Industrial Business Development

[qelycate@bocnet.org](mailto:qelycate@bocnet.org)

BOC Network

I am reading on behalf of our client, Billy De La Rosa, owner of BOD Fitness located in Manhattan.

Through my Brooklyn A attorney, I was able to put my trust in them to help guide me through lease negotiations and make sure our 2 locations don't shut down for good. The Commercial Lease Assistance Program is lifesaver for small businesses like my own. Without Commercial Lease Assistance, which provides free attorneys to small businesses like me, we would have no one else to assist because legal fees are unaffordable. Before I came to Brooklyn A's Commercial Lease Assistance Program, I spent thousands in legal fees to try and get the landlord to come to the table but could Not continue this pursuit long term as it was too expensive. Please support this critical program because that is how you support small businesses like mine. The issues my business faced are

1. Accumulation of too much back rent, over \$350k due to Covid-19 closures/restrictions
2. Lack of money to pay for legal assistance.
3. Lack of guidance how to maneuver with renegotiating a lease with landlords.

Brooklyn A's Commercial Lease Assistance Program helped my business. Thank you for hearing my testimony today.

Thomas McC. Souther, Esq., Board Chair  
Jessica A. Rose, Esq., Executive Director



**Community & Economic Development**

Alham Usman, Esq. Director

*The Community & Economic Development Program provides high-quality transactional legal counsel to represent nonprofits and small businesses that sustain and empower NYC communities.*

Good afternoon. My name is Alex Grzebyk and I am a staff attorney at Brooklyn Legal Services Corporation A, known as Brooklyn A. I currently represent 15 small businesses through Brooklyn A's Commercial Lease Assistance Program, funded by NYC Dept. of Small Business Services. The Commercial Lease Assistance Program (CLA) provides high-quality attorneys free of cost to NYC small businesses.

I personally came to work with Brooklyn A because I wanted to directly serve those in my community that exhibited the greatest needs for affordable and high-quality legal services.

CLA is a lifesaver for my clients. My clients are parents, caretakers, siblings, friends, and community members, and impact every facet of NYC's economy.

I would like to share the story of my client, who I will refer to as Art Gallery. My client came to us with rent arrears totaling over \$110,000. With the business hemorrhaging and trying to stay afloat amidst a global pandemic, I negotiated a waiver of \$61,000 in rent arrears, an affordable repayment plan for the remaining arrears and a tenant friendly lease amendment that would ensure that my client would stay in its commercial space for the remainder of its lease term.

The future of CLA must be a certainty for NYC small businesses like Art Gallery.

As the face of CLA I have three key asks:

1. CLA needs to be a permanent service for NYC small business owners. It is a critical resource, and lifeline, for all our small businesses.
2. Our impact depends on the tools of leverage available to us. We need a grant embedded into CLA, so that we may give our small business owners the financial leverage they need.
3. When considering legislation that affects residential tenants let us do our part in ensuring that commercial tenants get afforded similar protections so that our small businesses, the very backbone of this city, remain for years to come.

I hope Art Gallery's story provides a better understanding of the need for making permanent and growing with Brooklyn A, this legal assistance program for our small business owners.

Brooklyn A's CLA partnership with SBS is the only program of its kind in the nation.

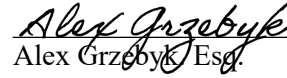


New York City is a trailblazer in city support for small businesses and CLA is an irreplaceable resource for our small businesses.

I thank you for your time.

**BROOKLYN LEGAL SERVICES  
CORP. A**

By:



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I am the Director of Community and Economic Development at Brooklyn Legal Services Corporation A (BROOKLYN A). I also have the honor of heading the Commercial Lease Assistance Program (CLA) which is funded by NYC SBS. Brooklyn A is a nonprofit law firm and has served small businesses and nonprofits for over 50 years.

Today you will hear or have heard testimony from the small business owners we've represented, our CLA attorneys, and members of the United for Small Business Coalition of which Brooklyn A is a proud member.

I wanted to draw your attention to a few facts:

**FIRST:** The 5-year CLA partnership between SBS and Brooklyn A is a unique and innovative approach to supporting small businesses. There is no other program like it in the nation. It is also important that SBS acknowledge Brooklyn Legal Services Corporation A both in recognition of the successful partnership and to resolve the confusion that small business owners face when seeking CLA services.

Because in the last six months alone (since July 2021- Jan 2022) we have obtained over \$6.7M worth of relief.

We have saved over \$2M in legal fees for small businesses.

The 12-month budget for CLA is \$5million.

**SECOND:** CLA is literally the only meaningful support for NYC small business owners who are struggling. The commercial lease agreement is the single most important contract a brick-and-mortar small business will enter into. It is also an agreement that has been perfected for over 500 years in favor of landlords. Without CLA small business owners do not stand a chance.

**THIRD:** This fiscal year, we have represented NYC small business owners in over 1000 cases. These are small business owners from every single borough:

Bronx	214 cases
Brooklyn	313 cases
Manhattan	380 cases
Queens	220 cases
Staten Island	58 cases

**FINALLY:** We have business owners from other states and outside of the five boroughs reaching out to us and asking, "Is this program available in my state?" No, it is not.

You and I have to make sure it remains a resource for New York City's small businesses, and it evolves to the needs of our for and non-for-profit small businesses including litigation support.

- a. litigation support. Courts, as we all know, are unfortunately always the last ones to catch on, and CLA has to be the first to support NYC small businesses.
- b. CLA services should expanded to NYC nonprofit organization.

97% of nonprofits fall into the category of small business and in NYC nonprofits contribute over \$77 billion to the NYC economy. NYC nonprofits are closing at record numbers.

Thank you for your continued support of Brooklyn A and the Commercial Lease Assistance Program.

Aashna Singh | Program Coordinator  
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Good afternoon. My name is Aashna Singh and I am the Program Coordinator, for the Commercial Lease Assistance Program team at Brooklyn Legal Services Corporation A, known as BROOKLYN A. I am joined here with Alham Usman, our director of the Commercial Lease Assistance program, and our staff attorneys.

Brooklyn A heads the Commercial Lease Assistance Program (CLA), funded by NYC Dept. of Small Business Services. We provide high-quality attorneys FREE of cost to NYC small businesses. **Brooklyn A ensures that CLA services are available in any language under the sun.**

**My intake team and I are the first point of contact and have been for over 1,800 NYC small businesses.** We speak on the phone with small business owners seeking our services day and night. Many business owners have called us crying about mounting rent debts, harassment they face daily, illegally locked out of their stores, and desperate for assistance. These businesses are their livelihoods. **We are on the frontline making sure NYC small businesses are not alone.**

Since **July 1, 2021, Brooklyn A has served over 500 NYC small businesses.** Over 100 from the Bronx. Through a grant opportunity, over the last **6 months**, Brooklyn A supported 110 of our clients and use \$2.5M dollars to negotiate and **put a total of \$6.7M back into the pockets of small business owners.** Our attorneys used the grant as upfront payment to negotiate lawsuit settlements, waive hundreds of thousands of dollars in arrears. Brooklyn A has **saved small businesses over \$2M in legal fees.** This is our Commercial Lease Assistance program. I feel honored, and lucky, to witness such an incredible impact.

However, we cannot let our business owners know with certainty the future of this program which is their **ONLY** support. The city budget for FY21 did not include the CLA Program. Only after months of advocacy, was it reinstated to the FY21 budget.

The FY22 budget provided the critical increased funding for CLA. Brooklyn A in partnership with SBS expanded the program greatly and hopes to continue to do so in FY23.

As the face of CLA I have **two key asks:**

- (1) CLA needs to be a permanent service for the NYC's small business owners. It a critical resource, and lifeline, for all of our small businesses.**
- (2) Our impact depends on the tools of leverage available to us. We need a grant embedded into our CLA program, so that we may give our small business owners, what we all know they need, financial leverage.**

Thank you for your time today. I hope you all have a better understanding of the **NEED** for making permanent and growing with Brooklyn A, the legal assistance program for small business owners and the impact of grant funding to supplement our attorneys' negotiation tactics.

**Brooklyn A's CLA partnership with SBS is THE only program of its kind in the nation.**

New York City is a trailblazer in city support for small businesses. CLA is an irreplaceable resource for our small businesses.

Marie R. Cita | Senior Staff Attorney  
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Good afternoon. My name is Marie Cita. I am a Senior Staff Attorney at Brooklyn Legal Services Corporation A, known as BROOKLYN A. In the last two months, I have represented over 50 Small business owners through Brooklyn A's Commercial Lease Assistance Program, funded by NYC Dept. of Small Business Services. My clients have spoken Spanish, Bengali, French, Nepali, French-Creole, and many others.

I came to work at Brooklyn A in the midst of the pandemic because I believed, and continue to believe, that a just economic recovery is critical to the fabric of New York City; and I know that small businesses are the backbone of a fair and equitable economy, as well as New York City's many diverse and vibrant neighborhoods.

CLA is a lifesaver for my clients. My clients are community cornerstones. They are employers. They are neighbors, parents, caretakers, siblings, friends, and community members. They are why New York City is one of the most dynamic cities in the world.

I would like to share the story of my client, who I will refer to as LOWER MANHATTAN CLEANERS. Lower Manhattan Cleaners is an immigrant elderly owned business. A year before the pandemic, the business owner had decided to open up its own dry-cleaning business and laundromat as a way to supplement retirement income. The business owner had not saved enough to simply retire in peace. However, the pandemic hit and the business reached a low of barely 25% of its pre-pandemic levels.

Instead of a retirement support, the business became a liability as Lower Manhattan Cleaners racked up over \$150,000 in arrears. What's more, the business owner signed a personal guarantee, like most NYC brick-and-mortar small business owners are forced to. In addition to potentially having to close the business, the business owner was facing personal bankruptcy.

I represented Lower Manhattan Cleaners and helped them negotiate the waiver of 60% of arrears by offering upfront payment with a grant. My client remains open today ensuring the future of NYC's economy, and their retirement.

The future of CLA must be a certainty for NYC small businesses like Lower Manhattan Cleaners.

As the face of CLA I have three key asks:

1. CLA needs to be a permanent service for the NYC's small business owners. It a critical resource, and lifeline, for all our small businesses.
2. CLA needs a grant embedded in the program so that we may give our small business owners the financial leverage they need.
3. CLA services should be expanded to NYC non-profit enterprises, which like our small businesses, serve and employ many New Yorkers.

I hope Lower Manhattan Cleaners' story provides a better understanding of the NEED for making permanent and growing with Brooklyn A, this legal assistance program for our small business owners.

**Brooklyn A's CLA partnership with SBS is THE only program of its kind in the nation.**

I thank this committee for your time and your continued support of my team at Brooklyn A.

Scott Bamberger | Staff Attorney  
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Good afternoon. My name is Scott Bamberger. I am a Staff Attorney at Brooklyn Legal Services Corporation A, known as Brooklyn A. In the last two months, I have represented over 35 business owners through Brooklyn A's Commercial Lease Assistance Program, funded by New York City Department of Small Business Services. My clients have spoken a variety of languages including, Spanish, French, and Russian.

I came to work at Brooklyn A because of my interest in working with small business owners. I quickly learned that Brooklyn A's CLA program was providing a necessary service in an area of law that has consistently treated low-income small business owners inequitably.

I wanted to use my time today to share a client story, a client I will call the "Tavern". The Tavern came to Brooklyn A with more than \$100,000 in arrears, a lapsed liquor license, and issues obtaining a valid certificate of occupancy for the building, a responsibility allocated to the Tavern in the lease.

The Tavern did not have the funds to pay the arrears nor the ability to obtain a valid liquor license or the certificate of occupancy. Unfortunately, the Tavern was in a position many small business owners find themselves in: they need to operate to obtain the funds to pay arrears, but they cannot operate without the proper licenses.

I represented the Tavern and helped them negotiate a waiver of nearly 60% of the arrears by offering an upfront payment with a grant. Additionally, the landlord agreed to share the cost of obtaining the certificate of occupancy and a termination option for the Tavern, if they could not obtain a valid liquor license.

While the Tavern received the benefits of our services, many small business owners face these landlords alone. To change this, the future of CLA must be a certainty for NYC small businesses like the Tavern.

As the face of CLA, I have three key asks:

1. First, CLA needs to be a permanent service for NYC's small business owners. It's a critical resource for all our small businesses.
2. Second, we need a grant embedded into CLA. Small business owners have limited leverage in their negotiations with landlords. A grant would provide financial leverage to negotiate or renegotiate the terms of a lease.
3. CLA should be expanded to include NYC non-profits. They are critical to this city's economy and are closing at alarmingly high rates.

I hope the Tavern story illuminates the need for making the CLA program permanent, so we can continue to assist small business owners in need. Brooklyn A's CLA partnership with SBS is the only program of its kind in the nation. I thank you for your time.

Camryn Jung, Esq. | Staff Attorney  
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Good afternoon. My name is Camryn Jung. I am a Staff Attorney at Brooklyn Legal Services Corporation A, known as BROOKLYN A. Right now I am representing 8 businesses through Brooklyn A's Commercial Lease Assistance Program, funded by NYC Dept. of Small Business Services. My clients speak French, Spanish, and many other languages and Brooklyn A ensures services are available in ALL languages.

I came to work with Brooklyn A because I wanted to use my legal knowledge and skills to assist individuals going through the most difficult times in their lives.

CLA is the lifeline for my clients. My clients are parents, caretakers, siblings, friends, and community members, and impact every facet of NYC's economy.

I would like to share the story of my client, who I will refer to as BROOKLYN RESTAURANT. Brooklyn Restaurant a Spanish speaking business owner came to Brooklyn A with thousands of dollars in arrears and was unable to communicate with their landlord who sought eviction. I was able to negotiate with the landlord and set up an affordable payment plan with zero percent interest that benefited both parties. Without CLA, Brooklyn Restaurant would presently be in Court. Instead, Brooklyn Restaurant is open today and continuing to boost the NYC economy.

The future of CLA must be a certainty for NYC small businesses like Brooklyn Restaurant.

As the face of CLA I have three key asks:

1. CLA needs to be a permanent service for the NYC's small business owners. It a critical resource, and lifeline, for all our small businesses.
2. CLA client are some of the most vulnerable small business populations and often approach the negotiation table with nothing. We need effective tools to bring landlords to the negotiation table. We need a grant embedded in CLA, so that we may give our small business owners the financial leverage they need.
3. CLA should be expanded to include NYC non-profits. They are critical to this city's economy and are closing at alarmingly high rates.

I hope NYC Restaurant's STORY provides a better understanding of the NEED for making permanent and growing with Brooklyn A, this legal assistance program for our small business owners.

Brooklyn A's CLA partnership with SBS is THE only program of its kind in the nation.

Jingying Zhai | Staff Attorney  
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Good afternoon. My name is Jing Zhai. I am a Staff Attorney at Brooklyn Legal Services Corporation A, known as BKA. I have represented 33 Small business owners through BKA's Commercial Lease Assistance Program, funded by NYC Dept. of Small Business Services. My clients speak Spanish, Korean, Chinese, and many other languages and we provide services in EVERY language.

I would like to share the story of my client, who I will refer to as BROOKLYN TATTOO, a very popular tattoo shop that has been in business for 10 years. However, when Covid-19 hit, Brooklyn Tattoo was forced to shut down for an extended period of time. When Brooklyn Tattoo sought BKA's assistance, the owner had already packed its equipment and arranged a moving company to permanently close. I represented the Brooklyn Tattoo and helped with: (1) a review their rights and obligations under their commercial lease; (2) I negotiated rental concessions with the landlord using grant funding as upfront payment, in return of waiving Brooklyn Tattoo's arrears and reducing its rent for an additional year. **Brooklyn Tattoo cancelled the moving company, unpacked its equipment and today Brooklyn Tattoo continues to make its mark!**

The future of CLA must be a certainty for NYC small businesses like Brooklyn Tattoo.

As the face of CLA I have two key asks:

1. CLA needs to be a permanent service, it's a critical resource, and lifeline, for all our small businesses.
2. Our small businesses depend on us to provide tools of leverage. They approach the bargaining table with nothing. We need a grant embedded into CLA, so that we may give our small business owners the financial leverage they need.

I thank this committee for your time and your continued support of my team at Brooklyn A.

Alex Grzebyk | Staff Attorney  
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Good afternoon. My name is Alex Grzebyk and I am a staff attorney at Brooklyn Legal Services Corporation A, known as BROOKLYN A. I currently represent 15 small businesses through Brooklyn A's Commercial Lease Assistance Program, funded by NYC Dept. of Small Business Services. I represent clients who speak Spanish, French, Bengali and many other languages.

I came to work with Brooklyn A because I wanted to directly serve those in my community that exhibited the greatest needs for affordable and high-quality legal services.

CLA is a lifesaver for my clients. My clients are parents, caretakers, siblings, friends, and community members, and impact every facet of NYC's economy.

I would like to share the story of my client, who I will refer to as ART GALLERY. My client came to us with rent arrears totaling over \$110,000. With the business hemorrhaging and trying to stay afloat amidst a global pandemic, I negotiated a waiver of \$61,000 in rent arrears, an affordable repayment plan with zero percent interest for the remaining arrears, and a tenant friendly lease amendment that would ensure that my client will stay in its commercial space.

The future of CLA must be a certainty for NYC small businesses like Art Gallery.

As the face of CLA I have three key asks:

1. CLA needs to be a permanent service for the NYC's small business owners. It a critical resource, and lifeline, for all our small businesses.
2. Our impact depends on the tools of leverage available to us. We need a grant embedded into CLA, so that we may give our small business owners the financial leverage they need.
3. When considering legislation that affects residential tenants we must ensure that commercial tenants are afforded similar protections so that our small businesses, the very backbone of this city, remain for years to come.

I hope Art Gallery's story provides a better understanding of the need for making permanent and growing with Brooklyn A, this legal assistance program for our small business owners.

Brooklyn A's CLA partnership with SBS is the only program of its kind in the nation.

New York City is a leader in the nation for its forward-thinking policies. CLA is an irreplaceable resource for our small businesses.

I thank you for your time.



Evelyn Mandel | Paralegal  
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Good afternoon. My name is Evelyn Mandel, and I am the paralegal with Brooklyn Legal Services Corporation A, known as BROOKLYN A. For the last fifty plus years, Brooklyn A has provided legal services to small businesses and non-profit organizations. For the last five years we have partnered with SBS and headed the Commercial Lease Assistance Program funded by SBS, offering free legal counsel to NYC business owners. Brooklyn A ensures services are available in EVERY language.

In the last six months of this fiscal year, our team has saved small businesses over \$6.7 million, including reduced rent and waived arrears. On top of that, these small businesses, spread across all five boroughs, can remain in their spaces for a collective total over 300-years. Brooklyn A accomplished all of this in under one year!

I am here today to emphasize the indispensable nature of the Commercial Lease Assistance Program, as well as a grant program to be embedded within CLA.

Commercial landlord-tenant relationships are historically one-sided. The landlord holds all of the cards. My team has demonstrated that upfront money via grant would be an essential first step both towards giving small business owners the ability to survive and giving landlords a reason to come to the negotiation table. With a grant as a direct part of the CLA program, my team can effectively reduce hundreds of thousands of dollars of arrears for our small businesses.

I also ask on behalf of Brooklyn A that Commercial Lease Assistance Program services be expanded to nonprofit enterprises because they too are critical to NYC's economy.

So, four points in summary:

1. Commercial Lease Assistance must be made permanent
2. NYC small businesses and landlords need a grant embedded within CLA
3. Commercial Lease Program services should be expanded to NYC non-profit enterprises.
4. Please trust Brooklyn A's recommendations for the expansion of CLA services. After all, we are CLA. We are the team that actually speaks with each and every single one of the thousands of small businesses that seek our services.

Brooklyn A is the frontline and often the only line for NYC small business owners. Thank you for your continued support of Brooklyn A and the Commercial Lease Assistance Program.

Alham Usman, Esq. | Director  
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I head the Commercial Lease Assistance Program (CLA) which is funded by NYC SBS. Brooklyn A has had this partnership with SBS for over four years.

My team is the first, and often times the only, contact point for NYC small business owners. CLA provides high-quality attorneys to help them with commercial tenancy matters.

- To-date we have worked with over 1,800 small businesses and landlords in all five boroughs.
- Since July 1, 2022, my team has represented **small business owners in 900 cases; 500 small businesses (over 1/5 of which are small businesses from the Bronx).**
- **In six months (July 2021- Jan 2022) we were able to obtain \$6.7M worth of relief for 108 small businesses across the five boroughs.**
- Brooklyn A obtained **\$2.5M in grant funding for small businesses and converted that into an additional \$4M in relief.** This means the small businesses received waivers of arrears, rent reductions, interest free affordable payment plans, and are able to stay in their commercial space for at least one year.
- **Brooklyn A negotiated over 350 years of lease terms and renewals for these businesses.**
- **Brooklyn A saved over \$2M in legal fees for small businesses.**

No other grant or small business relief program has experienced the results achieved with the Brooklyn A and SBS partnership through CLA. This is simply because Brooklyn A is the frontline and, quite often, the only lifeline for NYC small businesses.

As the Director of the Commercial Lease Assistance Program I can share two (2) critical realities:

- 1) Brooklyn A's Commercial Lease Assistance Program must become permanent, and you have to trust our requests for expansions thereof, including, making CLA services available to nonprofit organizations.
- 2) The Commercial Lease Assistance Program needs a grant embedded within it. Our business owners approach the negotiation table with nothing. An upfront payment is what makes my team, Brooklyn A, effective in negotiating hundreds of thousands of dollars of arrears away. **\$6.7M in relief obtained is clear evidence.**

Thank you for your continued support of Brooklyn A and the Commercial Lease Assistance Program.

Bill Angelos | Senior Staff Attorney  
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Good Morning: My name is Bill Angelos and I am a senior staff attorney with Brooklyn Legal Services Corporation A, known as **BROOKLYN A**. I wanted to address the necessity for our **Commercial Lease Assistance Program** funded by SBS. This program addresses the power imbalance between commercial tenants and landlords.

The following are key issues faced by NYC small business:

1. **Lease is the only Protection**. Commercial tenants do not have meaningful protections. The Lease is the only potential source of protection commercial tenants have.
2. **Landlords have attorneys**. Small business owners are at a disadvantage due to limited financial means to level the playing field against commercial landlords who are represented by counsels. Having an attorney to negotiate rental concession can have a huge relief to many small business owners.
3. **Personal Guarantees**. Nearly all commercial tenants have to sign a personal guarantee. So, if the business fails two years into a five-year lease. The business owner would PERSONALLY owe three years' worth of rent.
4. **Property Taxes**. A portion or all of property taxes pass onto commercial tenants. Small businesses pay property taxes to the landlord even though the landlord may receive an abatement from taxing authorities.
5. **Harassment**. Commercial tenants experience landlord harassment ranging from interference to lockouts and worse.

**Brooklyn A's Commercial Lease Assistance Program partnership with SBS is the only effective shield against these issues.**

For example, I represented a small coffee shop that was in arrears and could not afford rent. The business owners had a personal guarantee. **I was able to negotiate a waiver of \$100,000 in arrears and \$400,000 in rent reduction for the remainder of the 10-year lease. This NYC business will not be closing for many years.**

**This result, relief of \$500,000 for a NYC small business owner was possible because I was able to use upfront grant money to negotiate with the landlord.**

We need a meaningful dollar amount to approach landlords with, because that will make them come to negotiation table. **The Commercial Lease Assistance Program needs a permanent grant.**

**Without Brooklyn A's team and CLA these types of outcomes are simply NOT possible.** I thank this committee for your continued support of my team at Brooklyn A, the Commercial Lease Assistance Program, and the small business owners of NYC.



### Client Testimony of New York City Small Business Owner

Business Owner Name: Jay G & Matila Sabal

Business Name: Bluestockings Cooperative Corp.

I am one of the worker-owners of Bluestockings Cooperatives, located in Manhattan. This business started as a feminist space and has evolved into a LGBTQIA+ bookstore and resource center.

We have been open for 22 years and we are a bookstore and community space. We remain open today in large part thanks to Brooklyn Legal Services Corporation A.

Through my Brooklyn A attorneys, Jeff and Bill, I was able to get the support I needed to address landlords who refused to make necessary repairs.

With Brooklyn A's help we were able to get those repairs, and negotiate a rent reduction.

This would not have been possible without Brooklyn A. The Commercial Lease Assistance Program has been a lifesaver for small businesses like my own.

Please make the Commercial Lease Assistance Program permanent because that is how you support small businesses like mine. The issues my business faced are

1. Facing difficult landlords

2. Understanding our legal rights as small business owners
3. Keeping up with resources that city and state offer, and support with understanding if we qualify

Without Commercial Lease Assistance we would have had no help because legal fees are unaffordable. Brooklyn A and CLA are what stand between NYC small businesses like my own and all the odds that are stacked against us.



### Client Testimony of New York City Small Business Owner

Business Owner Name: Mirjeley Cid

Business Name: MJ Design and Imprints

**Good afternoon. I am here to read the testimony of client, Mirjeley Cid, business owner of MJ Design and Imprints, located in the Bronx. The following is Ms. Cid's testimony.**

We have been open for business since DECEMBER, 2020. We specialize in Custom Designs, Imprints, Embroidery and Graphic Designs.

I started this business with the hope of becoming a successful Woman Entrepreneur by not only empowering myself and others but to also create employment opportunities to other people within the community. As a creative entrepreneur my work and services are centered in helping other businesses, organizations and companies to grow by providing them with materials and services that boost their image and sales.

Unfortunately, I have a Landlord that has been harassing me with Rent Payments right from when I started operations in the first one month and sometimes couple of days before the month ends. Him and his son would start harassing Infront of my customers in the middle of service without considering the effects their having on my business.

My Landlord's constant harassment and disrespect ended up forcing me out of business for months now. He locked me out of my store with all of my business equipment and customers belongings in it. He ended up moving all of my equipment out of the store without my consent and is denying having them in his possession. Brooklyn A's Commercial Lease Assistance Program has been working with me and is helping me with the process of getting this situation resolved. Through my Brooklyn A attorneys, Bill and Matthew, I have been in the process of getting the help I need. They have been keeping constant communication with me and walking me through this important process so that I can finally resolve this issue with my Landlord.

The Commercial Lease Assistance Program is a lifesaver for small businesses like my own and I am so thankful to be receiving this help from them. Without Commercial Lease Assistance, which

provides free attorneys to small businesses like mine, we would have no one else to assist us because legal fees are unaffordable for me at this time. Before coming to Brooklyn A's Commercial Lease Assistance Program, I had contacted lots of lawyers and feared having to pay lots of DOLLARS in legal fees. This is a program that should continue to get support. By supporting them you will be supporting small businesses like mine that are truly in need of these services. The issues my business has been facing are

1. LANDLORD'S HARRASMENT AND ABUSE INFRONT OF CUSTOMERS. ASWELL AS ILLEGAL
2. EJECTION AND TAKING OUR BELOGINGS WITHOUT CONSENT.
3. LACK OF ACCESS TO FUNDING OR BUSINESS LOANS TO SUPPORT MY BUSINESS.
4. EXPENSIVE LEGAL FEES TO ENABLE GETTING HELP.

Brooklyn A's Commercial Lease Assistance Program has definitely helped me with important information I didn't previously know about my process and is helping in getting my equipment back which will lead to the re-opening of my business. Thank you for hearing my testimony today.

CEO Mirjeley Cid

MJ Design and Imprints



### Client Testimony of New York City Small Business Owner

Business Owner Name: Rebekah Livingston

Business Name: Rebekah Rich Brow & Beauty

Hello, my name is Rebekah Livingston, Owner of Rebekah Rich Brow & Beauty, located in Midtown, Manhattan.

I have been in business in New York City for 6 years prior to the pandemic, 7 1/2 total. I specialized in personal grooming and skincare services for professional women. I initially started the business in Portland, Or in 2003, but decided to take on my big city dreams by moving to New York. I've always had a love for helping others and once I found a skill that I also loved (at 19 years old), I got the proper training, my entrepreneur parents helped me start my business at 22, and I have never looked back.

19 years later, I still love what I do so the shutdown in March of 2020 was really difficult mentally as well as financially. As a single income household, I paid my rent for as long as I could, but eventually money ran out. I came to find help from the non-profit Brooklyn Legal Services, from an email I received from Nyc Small Business Services. I was skeptical about free help at first, but am so glad I inquired.

I was assigned to attorney, Bill Angelos, who helped me tremendously. He negotiated with my landlord and came up with a fair deal for both them and myself. Not only did he do that, he found that I was eligible for a storefront grant of \$25,000 and that was a lifesaver! He also helped save on my monthly lease amount and staggered the yearly increase so that I pay less longer, with an option to get out of the lease in a year.

Without the Commercial Lease Assistance Program, I would have been in debt to other attorneys and more in debt to my landlords! Bill also relayed how this type of negotiation works, understanding my past and renegotiated contract and helping improve the dynamic between my landlords, Abramsom Brothers and myself, which is very important to me.

This program is really critical to keep around as small businesses are so important to the vitality of New York City and afar, especially in an economic downturn. Please support keeping



this program alive, helping other small businesses stay open and get back on their feet, despite the enormous challenges we are experiencing.

Brooklyn A's Commercial Lease Assistance Program saved my business, I'm hoping this is the case for many others for years to come!

Thank you for the opportunity to testify today.



### Client Testimony of New York City Small Business Owner

Business Owner Name: Chibueze Amakwe

Business Name: Sons of Daniel

**I am here to read the testimony of client, Chibueze Amakwe, business owner of Sons of Daniel, a restaurant located in Brooklyn operating for 16 years.**

Brooklyn Legal Services Corporation A is perhaps the reason why I am still in business today. With their pro bono representation through the Commercial Lease Assistance Program, I was able to alleviate the stress my business was facing due to the covid pandemic closures.

My personal negotiations with my landlord were almost hitting a brick wall until I got Brooklyn A's Attorney Scott Bamberger involved. Scott was able to assure my landlord that he was not signing away his rights.

Prior to my contact with Brooklyn A, I had been applying for any loans and/or grants designed to help small businesses navigate the difficulties associated with covid 19 pandemic closures. I was not successful in securing any grants and loans until Brooklyn A stepped in.

In the last couple of months I've been seeing all the empty restaurant spaces that are now popping up as "available for rent" all around the city. I know exactly why those spaces are empty, and I could have easily been one of them.

I want to extend my sincere appreciation to Brooklyn Legal Services Corporation A I and Scott Bamberger for helping me navigate through the difficult muddy waters of the challenges I faced as a small business owner, and for advocating for me in my negotiations with the landlord.

My business is not totally out of the woods but we're not staring from hopelessness. We have secured a new lease and reduced more 60% of utilities that we owed during the pandemic.

Thanks to Brooklyn A and Commercial Lease Assistance, there is light at the of the tunnel for us.

This service should be permanently available to all small business owners.

Thank you.



### Client Testimony of New York City Small Business Owner

Business Owner Name: Chibueze Amakwe

Business Name: Sons of Daniel

**I am here to read the testimony of client, Chibueze Amakwe, business owner of Sons of Daniel, a restaurant located in Brooklyn operating for 16 years.**

Brooklyn Legal Services Corporation A is perhaps the reason why I am still in business today. With their pro bono representation through the Commercial Lease Assistance Program, I was able to alleviate the stress my business was facing due to the covid pandemic closures.

My personal negotiations with my landlord were almost hitting a brick wall until I got Brooklyn A's Attorney Scott Bamberger involved. Scott was able to assure my landlord that he was not signing away his rights.

Prior to my contact with Brooklyn A, I had been applying for any loans and/or grants designed to help small businesses navigate the difficulties associated with covid 19 pandemic closures. I was not successful in securing any grants and loans until Brooklyn A stepped in.

In the last couple of months I've been seeing all the empty restaurant spaces that are now popping up as "available for rent" all around the city. I know exactly why those spaces are empty, and I could have easily been one of them.

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My business is not totally out of the woods but we're not staring from hopelessness. We have secured a new lease and reduced more 60% of utilities that we owed during the pandemic.

Thanks to Brooklyn A and Commercial Lease Assistance, there is light at the of the tunnel for us.

This service should be permanently available to all small business owners.

Thank you.



### Client Testimony of New York City Small Business Owner

Business Owner Name: Billy De La Rosa

Business Name: BOD Fitness

**I am here to read the testimony of client, Billy De La Rosa business owner of BOD Fitness located in Manhattan.**

Through my Brooklyn Legal Services Corporation A attorney, I was able to put my trust in them to help guide me through lease negotiations and make sure our 2 locations did not shut down for good.

Brooklyn A and Commercial Lease Assistance is lifesaver for small businesses like my own. Without Commercial Lease Assistance, which provides free attorneys to small businesses like me, we would have no one else to assist because legal fees are unaffordable.

Before I came to Brooklyn A's Commercial Lease Assistance Program, I spent thousands in legal fees to try and get the landlord to come to the table but could not continue paying the private attorneys. It was too expensive. Please support this critical program because that is how you support small businesses like mine. The issues my business faced were

1. Accumulation of too much back rent, over \$350k due to Covid-19 closures/restrictions, which Brooklyn A was able to help me get waived
2. Lack of money to pay for legal assistance
3. Lack of guidance on how to maneuver negotiating a lease with landlords. I am a business owner not an attorney.

Brooklyn A's Commercial Lease Assistance Program saved my business and this should be a permanent support for business owners.

Thank you for hearing my testimony today.

## Community & Economic Development

Alham Usman, Esq., Director

*The Community & Economic Development Program provides high-quality transactional legal counsel to represent nonprofits and small businesses that sustain and empower NYC communities.*



Good afternoon. My name is Camryn Jung. I am a Staff Attorney at Brooklyn Legal Services Corporation A, known as BROOKLYN A. Right now I am representing 8 businesses through Brooklyn A's Commercial Lease Assistance Program, funded by NYC Dept. of Small Business Services. My clients speak French, Spanish, and many other languages and Brooklyn A ensures services are available in ALL languages.

I came to work with Brooklyn A because I wanted to use my legal knowledge and skills to assist individuals going through the most difficult times in their lives.

CLA is the lifeline for my clients. My clients are parents, caretakers, siblings, friends, and community members, and impact every facet of NYC's economy.

I would like to share the story of my client, who I will refer to as BROOKLYN RESTAURANT. Brooklyn Restaurant a Spanish speaking business owner came to Brooklyn A with thousands of dollars in arrears and was unable to communicate with their landlord who sought eviction. I was able to negotiate with the landlord and set up an affordable payment plan with zero percent interest that benefited both parties. Without CLA, Brooklyn Restaurant would presently be in Court. Instead, Brooklyn Restaurant is open today and continuing to boost the NYC economy.

The future of CLA must be a certainty for NYC small businesses like Brooklyn Restaurant.

As the face of CLA I have three key asks:

1. CLA needs to be a permanent service for the NYC's small business owners. It a critical resource, and lifeline, for all our small businesses.
2. CLA client are some of the most vulnerable small business populations and often approach the negotiation table with nothing. We need effective tools to bring landlords to the negotiation table. We need a grant embedded in CLA, so that we may give our small business owners the financial leverage they need.
3. CLA should be expanded to include NYC non-profits. They are critical to this city's economy and are closing at alarmingly high rates.

I hope NYC Restaurant's STORY provides a better understanding of the NEED for making permanent and growing with Brooklyn A, this legal assistance program for our small business owners.

Brooklyn A's CLA partnership with SBS is THE only program of its kind in the nation.

Camryn Jung, Esq.  
cjung@bka.org  
(718) 487-2376

**building communities** *ensuring opportunity* **achieving justice.**

Good afternoon. My name is Scott Bamberger. I am a Staff Attorney at Brooklyn Legal Services Corporation A, known as Brooklyn A. In the last two months, I have represented over 35 business owners through Brooklyn A's Commercial Lease Assistance Program, funded by New York City Department of Small Business Services. My clients have spoken a variety of languages including, Spanish, French, and Russian.

I came to work at Brooklyn A because of my interest in working with small business owners. I quickly learned that Brooklyn A's CLA program was providing a necessary service in an area of law that has consistently treated low-income small business owners inequitably.

I wanted to use my time today to share a client story, a client I will call the "Tavern". The Tavern came to Brooklyn A with more than \$100,000 in arrears, a lapsed liquor license, and issues obtaining a valid certificate of occupancy for the building, a responsibility allocated to the Tavern in the lease.

The Tavern did not have the funds to pay the arrears nor the ability to obtain a valid liquor license or the certificate of occupancy. Unfortunately, the Tavern was in a position many small business owners find themselves in: they need to operate to obtain the funds to pay arrears, but they cannot operate without the proper licenses.

I represented the Tavern and helped them negotiate a waiver of nearly 60% of the arrears by offering an upfront payment with a grant. Additionally, the landlord agreed to share the cost of obtaining the certificate of occupancy and a termination option for the Tavern, if they could not obtain a valid liquor license.

While the Tavern received the benefits of our services, many small business owners face these landlords alone. To change this, the future of CLA must be a certainty for NYC small businesses like the Tavern.

As the face of CLA, I have three key asks:

1. First, CLA needs to be a permanent service for NYC's small business owners. It's a critical resource for all our small businesses.
2. Second, we need a grant embedded into CLA. Small business owners have limited leverage in their negotiations with landlords. A grant would provide financial leverage to negotiate or renegotiate the terms of a lease.
3. Third, CLA should be expanded to include NYC non-profits. They are critical to this city's economy and are closing at alarmingly high rates.

**building communities ensuring opportunity achieving justice.**

I hope the Tavern story illuminates the need for making the CLA program permanent, so we can continue to assist small business owners in need.

Brooklyn A's CLA partnership with SBS is the only program of its kind in the nation. I thank you for your time.

**BROOKLYN LEGAL SERVICES CORP. A**

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**New York City Council Committee on Youth Services  
Fiscal Year 2023 Preliminary Budget Hearing**

**Monday, March 14<sup>th</sup>, 2022**

**Testimony submitted by: The Committee for Hispanic Children & Families (CHCF)**

Thank you to Hon. Chair Stevens and the Committee on Youth Services for the opportunity to offer testimony. My name is Shamar Watson and I am the Director of Youth Development for the Committee for Hispanic Children & Families, better known by its acronym, CHCF. We want to start by congratulating you, Hon. Chair Stevens, on your appointment as Chair of the Committee on Youth Services. We were able to listen into the Oversight Hearing on Summer Programming earlier this month and appreciate your connection and attention to community programs, and the importance of strong and valued city partnerships with community-based organizations in delivering services. CHCF is a non-profit organization with a 40-year history of combining education, capacity-building, and advocacy to strengthen the support system and continuum of learning for children and youth from birth through school-age.

CHCF delivers wrap around, holistic services through and beyond our state and city contracted programs and services. We know that a child's development, academic growth, and long-term life outcomes are impacted by so many intersecting circumstances that go beyond what occurs in care and educational spaces; and that access to high quality, equitably resourced, and culturally and linguistically responsive and sustaining learning spaces is critical from birth, through school-age and post-secondary education. Our team supports child care and early learning programs, and family access to child care (birth through school-age) in our work as a Child Care Resource & Referral Agency and as a Family Child Care Network under the Department of Education. We offer after school programming at two schools in the Bronx, as a part of the city's SONYC program and through state Advantage and Empire After School funding. Our Community Empowerment Department expands our general delivery of comprehensive supports in these direct program spaces/schools, and the reach of our agency services and supports beyond these physical spaces into the surrounding communities, addressing a number of issues, reflective of the shifting needs of the families and communities (i.e. housing, immigration, food access, healthcare access, etc.).

During a typical school year, our school-based programs are contracted to serve 490 students, and by extension their families: 250 students at PS 59 (about 56% of the K-5 school population); and 140 elementary students and 100 middle school students at PS/MS 279 (roughly 27% of the school population). We know the significant value-add of connecting community-based partners with schools to comprehensively meet the unique needs of students and their families. Above and beyond the academic supports we are able to offer in after school programs, we support mental health and social emotional development, interest and career exploration, and connection to additional resources and opportunities beyond the school walls. But just as importantly, spaces created with culturally and linguistically responsive CBO staff and program design offer opportunities for students to positively connect and have fun with peers and staff mentors in self-affirming ways.

We know that the desire and need for safe, quality after school and summer programming spaces far outreach the number of slots that are made available through city and state funding. CHCF has long had significant waiting lists for our programs, and we are aware of surrounding neighborhood schools that







do not have programs at all. In fact, we were introduced by our Assembly Member to another school in one of the communities that we serve, whose school leaders and parents saw a great need for after school programming. CHCF built a relationship with the school and were positioned to open up a program with the funding support of our state Assembly Member for fall of 2021, just as students would be returning to in-person learning and there was a collective focus on rapidly and effectively meeting student academic and social emotional needs. Although our Assembly Member did not ultimately come through with the funding, the need remained. CHCF took on the financial responsibility of ensuring this school community received the services needed, opening a program up with a capacity of 60 students at PS 226 (about 17% of the school population) at the beginning of this school year.

The true value of these relationships with CBOs and school-based programs was greatly underscored during the pandemic when students were physically disconnected from their peers and the supports that school and CBO staff offer. Like many CBOs, CHCF rapidly adjusted their services to ensure continuity in the delivery of essential supports remotely, going far above and beyond the scope of our contracts to ensure the school community, not just those in our programs, were supported in accessing necessary resources. Students, parents, staff, and school leaders had eagerly awaited a return to in-person programming, yet organizational partners across the city have faced numerous challenges in starting up in-person programming to capacity, and in delivering services to responsively meet so many critical needs. At a time when CBO presence could significantly expand the scope, reach, and impact of city/DOE efforts to address academics as well as mental health, bureaucratic bottlenecks, issues with clear guidance and reimbursement, as well as longstanding city and state practices that undermine the sustainability of CBO partners have stagnated our ability to deliver programs to capacity and holistically address the many challenges our students and families continue to face.

CBO contracts at both the state and city-levels have historically been underfunded, not meeting the true cost of care. This places undue financial burden on CBO partners to cover the remaining costs that go into delivering programs that truly respond to the unique needs of students, families, and communities. With significant delays in contract pay out, along with unclear or no guidance on allowable shifts in programming reflective of remote and hybrid learning in schools, CBOs already functioning on razor thin margins or in the red were faced with difficult decisions about staffing lay-offs, service reduction, and in many cases closure, ultimately harming our communities by disrupting the flow of services and minimizing resource access.

The nonprofit sector and CBO city partners are not a support of last resort. The community-based partners are essential to delivering citywide comprehensive, holistic, culturally responsive programming and services. Even beyond the fact that the city agencies do not have the capacity to do the work on their own, they should not do the work on their own through tremendously siloed agencies. CBO partners are embedded in and understand their communities, and are well-equipped to do this work, delivering intersectional supports and services above and beyond the limited scope of contracts from any one agency and their purview. As such, CBO partners should be proactively brought into planning and decision-making spaces as stakeholders, to offer insight and expertise on program design and effective delivery.

Contracting with CBOs should not be seen as a cost saving method, paying 85% of what it really costs to deliver these services. Underfunded contracts have always limited CBO ability to offer competitive salaries that reflect the true value of our program staff in parity with their city-employed





counterparts. The high value of CBO staff is not lost on city agencies, as there are consistent reports from CBO partners of city agencies recruiting CBO staff, given their ability to offer stronger salary and benefit packages compared to what our contracts allow us to offer. We cannot be seen merely as a training pool for city-agency candidates. These practices contradict the often-spoken messages of valuing CBO partnership by city agency leaders, by undercutting our financial stability, as well as our ability to recruit and invest in our staff, and our ability to consistently deliver services reflective of our communities' holistic and shifting needs through staff with long-standing relationships with our communities, families, and students.

CHCF calls on the city to improve its practices of partnership and contracting to ensure that the non-profit human services sector and their staff, who are so critical in the delivery of comprehensive, culturally and linguistically responsive services, are not only sustained, but able to thrive. We join our partners in the #JustPay Campaign in calling for the city to end the poverty-level wages that result from low contract reimbursement rates. Specifically, the city must:

- Establish, fund and enforce an automatic annual cost-of-living adjustment (COLA) on human services contracts.
- Set a living wage floor of no less than \$21 an hour for all City and State funded human services workers.
- Create, fund, and incorporate a comprehensive wage and benefit schedule government contracted human services workers comparable to salaries made by City and State employees in the same field.

While, these long-standing contracting issues have made it especially difficult to recruit staff this year, because our salaries can't compete with other jobs. Even if folks might be drawn to this work, they are forced to make decisions about which job they can afford to pursue. Of additional concern, even with those that have applied to work in programs, significant backlogs in background check clearances have put their start date on hold for months, at times years, and they ultimately move onto other job opportunities. Not being able to recruit and clear staff has slowed our ability to open programs and enroll to full capacity; this not only jeopardizes our ability to be fully paid out on our contract and ultimate financial stability as an organization, but is harming families who need quality care spaces for their children during after school hours, and our students who want so badly to be back in afterschool with their peers and afterschool teachers.

Through all of this, CHCF, like so many CBOs across the city, has continued to show up for our schools; working closely with school leaders and teachers, supporting families and students even beyond those we are contracted and compensated to serve. We are present in the schools all day, not just from 3-5 pm. When the city needed to rapidly expand extended day/year programming to deliver Summer Rising, CHCF was ready and willing to continue our SONYC programming for middle school students at PS/MS 279. As we move towards Summer Rising 2022, we feel it is worth noting that the city missed opportunities to truly optimize existing CBO relationships in schools by only building upon city-funded SACC programs for Summer Rising 2021. For example, because PS 59 programming is funded through state Advantage and Empire After School dollars, we were not tapped to extend our programming into the summer, building upon our existing decade+ long relationship with that school community. At PS/MS 279, even though we have run elementary afterschool programming in that school for over 25 years, we were not asked to extend those services for summer, rather the DOE brought another CBO who held COMPASS contracts to run the elementary school program, with no prior relationship to that school community.





We echo the sentiments of our CBO partners and of Chair Stevens as delivered in the summer programming oversight hearing, that the ambition of DYCD alone is not sufficient to making high quality programs that truly meet the needs of our youth and families a reality. The city must be proactive in engaging CBO partners as thought partners in program design and delivery planning from the beginning. Respect our expertise in the field and ensure that we have a direct hand in designing and actualizing programs that can have optimal impact on our communities. Honor the value of our work and the skilled staff on the ground working with communities day in and day out by funding is in sustainable and equitable ways.

In addition to after school programming, CHCF strongly supports the Community School model as a means of investing in CBO partnerships with schools. Up to July of 2021, CHCF had worked for 6 years as the partnering CBO at the Bronx High School of Business on the Taft Campus, delivering culturally and linguistically responsive, holistic services to the student population and their families. A cost-cutting decision to consolidate services on multi-school campuses to one CBO with a smaller contract award amount, made it difficult for small- or mid-sized non-profits, like CHCF, to compete with larger non-profits with more fiscal capacity to carry the funding shortfall.

Even so, we remain committed to the Community School model. Through our work at BHSB, we saw significant improvements in student attendance, graduation rates, and college and career readiness rates. We offered career exploration opportunities to our youth and saw clear evidence of the impact of youth employment programs like Work Learn Grow, Learning to Work, and Summer Youth Employment. We continue to join many across the city to not only grow the country's largest community schools initiative; but specifically, to this committee we support continual increases in funding to youth employment programs to expand access to all city youth and give them opportunities to explore career pathways, build experience, and grow networks.

We are excited about Mayor Adams' plan to expand SYEP to 100,000 job opportunities, but we call on the city to ensure true equity in access to these opportunities. Language access in marketing and outreach are critical to ensure our ELL/MLL students are aware of these opportunities. Additionally, as was noted by some of our partners in the oversight hearing, there are limitations in access to immigrant students, and particularly those without documentation. We must be ensuring that our most vulnerable students are being given access to all opportunities that will open doors for lifelong success.

For any questions about our testimony, please contact Danielle Demeuse at [ddemeuse@chcfinc.org](mailto:ddemeuse@chcfinc.org) or 212-206-1090 ext. 359.

Thank you.





## **New York City Council Committee on Small Business**

### **Fiscal Year 2023 Preliminary Budget Hearing**

**Monday, March 14<sup>th</sup>, 2022**

#### **Testimony submitted by: The Committee for Hispanic Children & Families (CHCF)**

Thank you to Hon. Chair Menin and the Committee on Small Business for the opportunity to offer testimony. My name is Danielle Demeuse and I am the Director of Policy for the Committee for Hispanic Children & Families, better known by its acronym, CHCF. CHCF is a non-profit organization with a 40-year history of combining education, capacity-building, and advocacy to strengthen the support system and continuum of learning for children and youth from birth through school-age.

As one of four Child Care Resource & Referral agencies in NYC,<sup>1</sup> CHCF is funded by the state through federal Child Care Development Block Grant (CCDBG) funds to support child care programs with technical assistance and intensive coaching to support quality, wrap around infant/toddler care across modalities; and to support parents/guardians in accessing child care that is responsive to their family's schedule and needs. Through our work as a CCR&R, CHCF predominantly (but not exclusively) delivers supports to licensed child care providers in residential settings (Group Family and Family Day Care), overwhelmingly providers whose primary language is Spanish, across all five boroughs of New York City. These particular providers disproportionately care for infants and toddlers, and are most able to offer non-traditional hours of care, which is particularly critical for those families who do not work Monday through Friday, 9 to 5. Our bi-lingual provider supports span technical assistance with licensing and compliance, and intensive coaching around health and safety, as well as quality and curriculum. We also offer supports and training on sustainable business model development for these unique small businesses. Citywide, these particular small businesses are overwhelmingly owned and operated by women, particularly by women of color and immigrant women. They are the backbone to the larger city workforce and economy, yet are often stigmatized and marginalized, and as a result have limited awareness of or access to existing city resources for small businesses.

We know that many small businesses struggled through the pandemic and that critical investments, resources, and supports are required to ensure that our small business community can recover and thrive. It is imperative that city leaders over-seeing efforts for small business and economic development recognize that we cannot stabilize our workforce, our businesses, or our economy without these particular small businesses. They are integral to a family's ability to fully enter and remain in the

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<sup>1</sup>Child Care Resource & Referral Site: <https://nyccrr.org>





workforce; business owners and our economy simply cannot afford the collapse of this small business community. Yet they have long-been neglected, underfunded, and under resourced and were left uniquely vulnerable to the fiscal and health impacts of the pandemic. As a result of longstanding flaws in city systems and decisive underfunding, and the exacerbating effects of the pandemic, thousands of these child care small businesses have closed their doors over the past five years, steadily growing child care deserts.<sup>2</sup>

We are excited that the call for Universal Child Care is growing across New York State and City<sup>3</sup>, among advocates, families, providers, and city and state leaders, and a growing number of folks in the business community. The necessity of accessible, responsive, quality child care options for all families has to be an integral part of any business and economic recovery planning. We know the demonstrable turnaround on investment to this particular small business sector and the families and children that they serve – not only on the ability for parents to fully enter and remain in the workforce, but also on child development and school readiness, which has long term impacts on academic, health and financial stability outcomes.<sup>4 5</sup> It is critical that the city immediately and comprehensively (across multiple agencies and oversight bodies) address the systemic flaws and inequitable funding and resourcing to citywide child care small businesses and workforce, in all care settings and regardless of direct affiliation with the Department of Education. There must be specific funds set aside for these small businesses to support capital and facilities funding needs (both elements are not allowable uses of child care desert funds from the State); as well as to stabilize this workforce given that current market rates (which are state set) and contract rates (which are offered through DOE contracts) are grossly insufficient to meet the true cost of delivering these services *with* compensation and benefits to child care workers reflective of the high value of these services.

Additionally, the NYC SBS needs to strengthen its relationship with existing structures and organizations who are already positioned and delivering technical assistance to these particular small businesses, to optimize the reach and impact of existing structures of support - i.e. Child Care Resource & Referral agencies. While our state contract funding does allow for modest delivery of business supports and training, and small grants to support with some startup costs, it is insufficient to meet the critical needs of these small businesses reflective of the scale of this sector and the crisis of this moment; or to creatively expand the scope and impact of business training, technical assistance, and referral to existing funding opportunities to providers, that would not only sustain, but grow a thriving child care sector.

While the Mayor has proposed two tax breaks that would offer long term and limited child care capacity growth citywide – they target funds to business owners and developers, particularly focusing on creating child care centers, with no attention paid or resources proposed to existing child care businesses; and particularly disregarding the mostly women of color small business owners who are presently running state licensed and monitored, quality child care programs in residential settings, who have significant

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<sup>2</sup> OCFS shares out these Facts & Figures each year, if you compare licensed program numbers in NYC, pay particular attention to licensed Group Family and Family Day Care programs.

<sup>3</sup> We join the Empire State Campaign for Child Care and uplift their principles for UCC:

<https://tinyurl.com/5ayby4dt>

<sup>4</sup> Heckman, J. (2012) Invest in Early Childhood: Reduce Deficits, Strengthen the Economy. Accessed on March 9, 2022 from: [Invest in Early Childhood Development: Reduce Deficits, Strengthen the Economy - The Heckman Equation](#)

<sup>5</sup> The First Five Years Fund: [Make Early Childhood Education a National Priority - First Five Years Fund \(ffyf.org\)](#)





available capacity due to systemic flaws that are stagnating family enrollment. Immediate investments in the existing child care sector, in *all* modalities – with a particular, but not exclusive focus on the most vulnerable parts of the sector (home-based child care and child care programs that are independent of the DOE) would have more immediate stabilizing and capacity growth effects.

If we truly want to actualize a universal system in the long run, we must take action now to stabilize and grow upon our existing child care sector and workforce, so that we have the capacity to universally offer care that centers quality and equity, and honors family need and choice. While we are calling on the Federal and State Governments to make the necessary investments, it does not remove the City's responsibilities in designing, equitably funding and resourcing, and administering responsive systems and supports that uplift the workforce at the heart of this essential sector; a sector that NYC's families, businesses, and economy rely upon.

For any questions about our testimony, please contact Danielle Demeuse at [ddemeuse@chcfinc.org](mailto:ddemeuse@chcfinc.org) or 212-206-1090 ext. 359.

Thank you.



### Little Myanmar Testimony

My name is Carina Kan, and I am speaking on behalf of our client Thidar Kyaw, business owner of Little Myanmar in Manhattan. Ms Kyaw's statement is the following.

I originally had an Asian Mart and Deli market in Queens but unfortunately, my store was destroyed in the fire of 2020. I did not receive any insurance payment because I did not have a written lease with the landlord. I have learned the importance of having a written lease the hard way. I spent months looking for a new space, but I was hesitant to sign the lease because I alone could not fully understand what the lease says. My landlords always have attorneys, but I am a small business owner with limited resources and I cannot afford to hire an attorney. Brooklyn Legal Services Corporation A and the Commercial Lease Assistance Program have saved me. Without Commercial Lease Assistance which provides free attorneys to small businesses like myself, we would have no one else to assist with lease reviews and lease negotiations because legal fees are unaffordable. Please support this critical program because that is how you support small businesses like mine. The issues my business faced are

1. My real estate agent is unwilling to negotiate with the landlord on my behalf;
2. My landlord would agree to one thing, and then end up drafting a clause in the lease that says opposite;
3. I cannot get my landlord to install an AC and heating unit in the space prior to me signing the lease.

Attorney at BKA reviewed my landlord's proposed lease terms, and thoroughly explained my rights and obligations under such lease term; They advised me that in addition to my monthly rent, I am obligated to pay additional money for real estate taxes. They helped me to negotiate with the landlord to reduce a portion of my monthly rent so that I can budget the real estate tax payments into my rental costs and make sure I can afford the space. They also coordinated with my real estate agent and my landlord to push out the signing date, so that the landlord will install the AC and heating unit in the space ahead of time, and I can perform an inspection before signing my name to the lease agreement.

Brooklyn A's Commercial Lease Assistance Program helped my business. Thank you for hearing my testimony today.

3/11/2022

*Good afternoon. I am here to read the testimony of client, Mirjeley Cid, business owner of MJ Design and Imprints, located in the Bronx.*

*We have been open for business since DECEMBER, 2020. We specialize in Custom Designs, Imprints, Embroidery and Graphic Designs.*

*I started this business with the hope of becoming a successful Woman Entrepreneur by not only empowering myself and others but to also create employment opportunities to other people within the community. As a creative entrepreneur my work and services are centered in helping other businesses, organizations and companies to grow by providing them with materials and services that boost their image and sales.*

*Unfortunately, I have a Landlord that has been harassing me with Rent Payments right from when I started operations in the first one month and sometimes couple of days before the month ends. Him and his son would start harassing Infront of my customers in the middle of service without considering the effects their having on my business.*

*My Landlord's constant harassment and disrespect ended up forcing me out of business for months now. He locked me out of my store with all of my business equipment and customers belongings in it. He ended up moving all of my equipment out of the store without my consent and is denying having them in his possession. Brooklyn A's Commercial Lease Assistance Program has been working with me and is helping me with the process of getting this situation resolved. Through my Brooklyn A attorneys, Bill and Matthew, I have been in the process of getting the help I need. They have been keeping constant communication with me and walking me through this important process so that I can finally resolve this issue with my Landlord.*

*The Commercial Lease Assistance Program is a lifesaver for small businesses like my own and I am so thankful to be receiving this help from them. Without Commercial Lease Assistance, which provides free attorneys to small businesses like mine, we would have no one else to assist us because legal fees are unaffordable for me at this time. Before coming to Brooklyn A's Commercial Lease Assistance Program, I had contacted lots of lawyers and feared having to pay lots of DOLLARS in legal fees. This is a program that should continue to get support. By supporting them you will be supporting small businesses like mine that are truly in need of these services. The issues my business has been facing are*

- 1. LANDLORD'S HARRASMENT AND ABUSE INFRONT OF CUSTOMERS. ASWELL AS ILLEGAL*
- 2. EVECTION AND TAKING OUR BELOGINGS WITHOUT CONCENT.*
- 3. LACK OF ACCESS TO FUNDING OR BUSINESS LOANS TO SUPPORT MY BUSINESS.*
- 4. EXPENSIVE LEGAL FEES TO ENABLE GETTING HELP.*



*Brooklyn A's Commercial Lease Assistance Program has definitely helped me with important information I didn't previously know about my process and is helping in getting my equipment back which will lead to the re-opening of my business. Thank you for hearing my testimony today.*

*CEO Mirjeley Cid*

*MJ Design and Imprints*

## SBIDC Testimony

### Preliminary Budget Hearing - Committee on Small Business

#### SBIDC testimony:

Good afternoon Chairperson Menin and members of the small business committee, thank you for the opportunity to testify today. My name is Micaela Skoknic, speaking on behalf of the Southwest Brooklyn Industrial Development Corporation. SBIDC is a mission-driven, nonprofit that has been supporting industrial businesses and their workforce along the working waterfronts of Sunset Park, Red Hook and Gowanus for over 40 years

I am asking the council to restore and expand funding for the Industrial Business Service Provider (IBSP) program in the Small Business Services budget, so the essential businesses in our Industrial Business Zone can continue to thrive, grow, and help lead a more just economic recovery from the pandemic.

As an IBSP, our organization provides a wide-range of free support services so that industrial firms can continue to do business in Brooklyn. We help businesses access financing, find new space to operate, navigate city agencies, and help register MWBEs. We also play a critical role in connecting industrial and manufacturing businesses to each other, fostering a local ecosystem of economic benefits for the neighborhood and helping to keep production jobs in Brooklyn. Finally, we offer educational courses and workshops to MWBEs to help them stay resilient, expand their sales and job offerings, and grow their revenue.

SBIDC also runs the NYC Workforce 1 Center at the Brooklyn Army Terminal to help match businesses with local residents looking for employment. And in 2021, we responded to a growing skills gap in the manufacturing sector by launching a young adult job training program to create career pathways in the industrial sector.

In a City where affordable and accessible industrial land is scarce, organizations like ours are a key component to business retention, which is critical to an equitable economic development strategy. The industrial sector pays higher wages and offers more career opportunities to a workforce that is 80% people of color and 50% foreign born. Additionally, the businesses we serve are key to the City's ability to respond to emergencies. Here's an example: since the pandemic, we have helped several MBE garment manufacturers pivot to create PPE. We have assisted them with securing loans, hiring, and improving their competitiveness in procurement opportunities. These businesses, and our assistance, were and will continue to be critical to the Covid recovery strategy.

In the last 12 months, we've connected South Brooklyn businesses to almost \$4,000,000 in funding, and have provided free technical assistance to over 200 firms. SBIDC and our fellow IBSPs throughout the City have worked tirelessly to manage and connect businesses to Federal, State, and City financial products, including EIDL, NY Forward Loan, and LMI Storefront Loan. Every year our scope of services has increased, along with the demand for

assistance from small industrial companies and entrepreneurs. Yet this increase in services has not come with an increase in budget.

Appropriate levels of funding for the IBZ program will ensure that we are able to serve the many businesses that rely upon us for support and counseling. Industrial businesses keep New York City running, provide opportunities for upward mobility and are essential to an equitable recovery of COVID 19. Thank you.

I am speaking on behalf of our client, Chibueze Amakwe, business owner of Sons of Daniel, a restaurant located in Brooklyn operating for 16 years.

Brooklyn legal services corporation A is perhaps the reason why I am still in business today. With their pro bono representation I was able to alleviate the stress my business was facing due to the covid pandemic closures. My negotiations with my landlord were almost hitting a brick wall until I got Brooklyn A Attorney Scott Bamberger involved and he was able to assure my landlord that he was not signing away his rights.

Prior to my contact with Brooklyn A, I had been applying for any loans and/or grants designed to help small businesses navigate the difficulties associated with covid 19 pandemic closures. I was not successful in securing any grants and loans until Brooklyn legal services corporation stepped in.

In the last couple of months I've been seeing all the restaurant spaces that are now popping up as available for rent all around the city. I know exactly why those spaces are available and I could have easily been one of them.

I want to extend my sincere appreciation to Brooklyn Legal Services Corporation A in general and Scott Bamberger for helping me navigate through the muddy waters of the application process, and negotiations with my landlord.

My business is not totally out of the woods but we're not staring down at hopelessness. We have secured a new lease and paid down more than 60% of utilities that we owed during the pandemic so there's light at the end of the tunnel.

Thank you.

# **TAKEROOT JUSTICE**

## **Testimony to the NYC City Council**

### **Committee on Small Business**

### **Preliminary Budget Hearing for FY 2023**

March 14, 2022

Thank you so much for accepting testimony from the Equitable Neighborhoods practice of TakeRoot Justice. TakeRoot works with grassroots groups, neighborhood organizations and community coalitions to help make sure that people of color, immigrants, and other low-income residents who have built our city are not pushed out in the name of “progress.”

TakeRoot is also a member of United for Small Business NYC (USBnyc), a coalition of 15 organizations and community groups in NYC fighting to protect small businesses and non-residential tenants from the threat of displacement. We are also one of the providers in the Worker Cooperative Business Development Initiative. Thank you for the opportunity to help the Council prepare its response to the Mayor’s preliminary FY2023 budget.

Today, I will focus my remarks on the needs of small business owners impacted by COVID and the ongoing need for direct relief funding for small businesses that were forced to close their doors when the pandemic began and have to date been unable to access any funds from Federal, State or City sources to help pay rent that was due in the months when no revenue came in. TakeRoot provides direct legal representation to low-income small business owners via a contract with the Department of Small Business Services (TakeRoot is a subcontractor to Brooklyn Legal Services Corporation A). Thus, we have counseled over hundred small businesses negotiating with their landlords about rent and tenancy.

The most frequent case I see today is a small business with 3-6 months of rent still due from Spring 2020 seeking financial assistance to resolve that debt to avoid eviction and bankruptcy. Even if business has come back and they were able to pay after reopening, there is no way for a business like a barber shop or sewing machine repair to make enough money to pay for months when it made none.

The federal Paycheck Protection Program was not available for sole proprietors or entrepreneurs with business models not based on employees (like barber shops and salons that rent chairs to individuals); further analysis done by the Association for Neighborhood & Housing Development shows that PPP loans were not equitably distributed and were less likely to reach



businesses in low-income communities and communities of color.<sup>1</sup> The Restaurant Revitalization program closed without even responding to many applications for assistance, including my clients.' State funding was not available to businesses who reported any loss on their 2019 tax returns; a client whose 2019 returns reflected a \$5 loss for the year, standard accounting practice for small businesses, was denied for this reason.

**The City must invest in helping the small businesses that are still with us now and facing the crushing burden of unpaid spring 2020 rents survive.**

SBS *has* made funding available through direct grants in the last year, but the application portal closed within weeks of opening. None of my clients who would have been eligible were able to apply. It is imperative that the City create another round of grants and ensure that our smallest businesses have access to the application process before money again runs out. We urge you not to pass a 2023 budget that does not address this need.

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<sup>1</sup> See <https://anhd.org/blog/new-yorks-small-businesses-left-out-paycheck-protection-program>.

**Contact:** Paula Z. Segal, Senior Staff Attorney  
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**Testimony to the NYC City Council  
Committee on Small Business  
Preliminary FY23 Budget Hearing**

March 14, 2022

United for Small Business NYC (USBnyc) is a coalition of community organizations across New York City fighting to protect New York's small businesses and non-residential tenants from the threat of displacement, with particular focus on owner-operated, low-income, people of color-run businesses that serve low-income communities and communities of color. Small businesses are cornerstones of our city and neighborhoods. They provide jobs, culturally relevant goods and services, and community, keeping our neighborhoods thriving and vibrant places to live.

USBnyc members include legal and other direct service providers as well as merchant organizing and advocacy organizations, and through our members, we reach thousands of small businesses of all kinds throughout New York City. Throughout the past two years, the small business owners in our networks have faced a significant need for direct funding that remains largely unaddressed by federal, state, or city programs. In addition to opening up more grant programs, the existing resources and support services must be expanded in order for that funding to reach those with the most critical need. Planning for full, equitable small business recovery must include significant funding to address these gaps. We urge you to:

1. Provide significant **direct small business relief funding**
2. Expand the **Commercial Lease Assistance Program** to include non-profit organizations with leasing and other commercial tenancy matters and make the CLA program permanent with a CLA grant
3. Support the enhancement of the **Worker Cooperative Business Development Initiative** to \$5,012,552
4. Fund community-based organizations engaging in **merchant organizing** and outreach efforts
5. Increase accessibility to SBS services for Limited English Proficiency immigrant small business owners by expanding **language capacity** within the agency

During the COVID-19 shutdown of spring 2020, countless small businesses lost months of revenue but they still had to pay rent on their space, leading to tens of thousands of dollars in rent arrears and potential eviction and bankruptcy. With the expiration of the statewide eviction



moratorium, the potential for eviction looms closer and closer each day for those small businesses with crushing rent debt.

Government programs made available thus far have fallen short. Paycheck Protection Program loans were not available for sole proprietors and businesses with other models—like barber shops that rent out chairs—and analysis from the Association for Neighborhood and Housing Development shows that PPP loans were less likely to reach businesses in low-income communities and communities of color.<sup>1</sup> State-level funding through ESD grants were also restrictive. Businesses that came into operation after March 1, 2019 were excluded, and those that did not have positive income in 2019 were denied, even though they often had 25 to 50 percent revenue loss in 2020. Although funding was made available through SBS, many potentially eligible business owners were not able to apply within the short timeframe during which the application portal was open. For businesses shut out of these opportunities, **accessible relief funding from the City** is the difference between resolving their debt and continuing to operate, and shuttering.

USBnyc members also emphasize the importance of **the Commercial Lease Assistance program**, the only available resource for free legal assistance for small business owners, the need for which pre-existed COVID-19 and has drastically increased amidst the pandemic. The program should be expanded to include non-profit organizations with leasing and other commercial tenancy matters. Non-profit organizations play a critical role in the New York City economy and should be provided with the same commercial leasing support as traditional small businesses. The CLA program must continue to be funded at a baseline minimum of \$5 million and be made a permanent SBS program.

In addition, we urge you to support the enhancement of **the Worker Cooperative Business Development Initiative** to \$5,012,525. This work is vital to preserving and creating jobs for immigrant workers and communities of color, and to protecting these communities from wealth extraction.

We also recognize the importance of community-based organizations engaging in **merchant organizing** and outreach in helping small businesses access funding opportunities and contributing to thriving commercial corridors. Funding to these CBOs must continue and be expanded.

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<sup>1</sup> <https://anhd.org/blog/new-yorks-small-businesses-left-out-paycheck-protection-program>





Lastly, USBnyc members reach merchants in many languages, and we believe that language access is critical to the success of any small business resource. Funding must be allocated toward expanding **language capacity** within SBS.

Opening up new direct relief grants and expanding critical services within SBS are crucial to an equitable small business recovery in New York City. We urge you to pass an FY23 budget that adequately addresses the significant need for funding and support among small businesses, particularly those in low-income communities and communities of color.

*USBnyc members are Asian American Federation, Association for Neighborhood & Housing Development (ANHD), Bridge Street Development Corporation, Brooklyn Legal Services Corporation A (BROOKLYN A), Chhaya CDC, Cooper Square Committee, League of Independent Theater of New York (LITNY), Legal Aid Society, NYC Artist Coalition, NYC Network of Worker Cooperatives, New York Immigration Coalition (NYIC), Street Vendor Project, TakeRoot Justice, Volunteers of Legal Service (VOLS), and Women's Housing and Economic Development Corporation (WHEDCo).*



Dear Members of the Committee on Small Business,

My name is Matthew Shapiro and I am the legal director of the Street Vendor Project (SVP) at the Urban Justice Center. SVP is a membership-based organization of over 2,000, mostly immigrant, street vendors who work in New York City's public spaces selling food and merchandise. We organize vendors to have their voices heard as well as provide legal and small business assistance.

SVP respectfully requests funding to sustain and expand two critical programs that serve street vendors, New York City's smallest businesses: (1) Community Outreach and Education Program; and (2) Small Business Consultation Program. These programs will support an equitable economic recovery for New York City.

When a vendor grows their business, they create jobs as well as financial stability for their family, and reinvest in the local economy. Furthermore, by providing tax filing assistance to vendors, we are helping to increase tax compliance, thereby growing revenues to the city and state.

In 2021, New York City made a historic investment in street vendors with the implementation of Local Law 80 to reform the street vending industry, creating the Office of Street Vendor Enforcement and gradually increasing the number of licenses available to vendors. However, the investment is primarily in the enforcement of street vendors. There remains a gap of critical direct services to street vendors, specifically legal services, small business development training, educational programming on the regulations of vending or how to come into compliance with the laws, as well as the services needed by the community including immigration, housing, childcare, food access, and more.

Through the Community Outreach and Education Program, we conduct multilingual outreach in a range of formats to street vendors to educate them on the rules and regulations of vending, teach them their legal rights and responsibilities, and connect them to a variety of resources ranging from public health to immigration.

Through our Small Business Consultation Program, we provide multi-lingual legal and small business services to vendors throughout the City. Such services include:

Business Compliance & Digital Literacy – e-payment, social media, street vending 101; Personal Finances & Finances for Small Businesses – how to be loan ready, banking basics and understanding credit, CDFI relationships, grants & loan opportunities; and Marketing: brand marketing, market opportunities.

Our legal services include: advisement on the vending laws and rules, sales tax assistance, licensing and permitting application assistance, representation before OATH tribunal on administrative summons, and representation in New York State and Federal Courts for street vending litigation.

**SVP is currently the only organization that provides these services for street vendors in NYC. In 2021, we provided assistance on over 375 cases for street vendors receiving legal and small business assistance.**

Funding will allow us to keep current staff for the Small Business Consultation Program. SVP's Women & BIPOC Business Empowerment Organizer will lead the program to provide essential small business training and support to street vendors. SVP's Legal Director will provide oversight for the program as well as legal services. With New York City Council support, SVP will retain the Women & BIPOC Business Empowerment Organizer and the Legal Director.

To meet the needs of the street vendor community and expand language capacity, SVP will hire the following staff:

1. 2 Spanish-speaking Outreach & Education Specialists
2. 1 Mandarin/Cantonese-speaking Outreach & Education Specialist
3. 1 Wolof-speaking Outreach & Education Specialist
4. 1 Communications Specialist

Thank you for your consideration of this funding request as well as the opportunity to testify today.

Matthew Shapiro  
Legal Director  
Street Vendor Project, Urban Justice Center

*Hello, my name is Rebekah Livingston, Owner of Rebekah Rich Brow & Beauty, located in Midtown, Manhattan.*

*I have been in business in New York City for 6 years prior to the pandemic, 7 1/2 total. I specialized in personal grooming and skincare services for professional women. I initially started the business in Portland, Or in 2003, but decided to take on my big city dreams by moving to New York. I've always had a love for helping others and once I found a skill that I also loved (at 19 years old), I got the proper training, my entrepreneur parents helped me start my business at 22, and I have never looked back.*

*19 years later, I still love what I do so the shutdown in March of 2020 was really difficult mentally as well as financially. As a single income household, I paid my rent for as long as I could, but eventually money ran out. I came to find help from the non-profit Brooklyn Legal Services, from an email I received from Nyc Small Business Services. I was skeptical about free help at first, but am so glad I inquired.*

*I was assigned Attorney, Bill Angelos, who helped me tremendously. He negotiated with my landlord and came up with a fair deal for both them and myself. Not only did he do that, he found that I was eligible for a storefront grant of \$25,000 and that was a lifesaver! He also helped save on my monthly lease amount and staggered the yearly increase so that I pay less longer, with an option to get out of the lease in a year.*

*Without the Commercial Lease Assistance Program, I would have been in debt to other attorneys and more in debt to my landlords! Bill also relayed how this type of negotiation works, understanding my past and renegotiated contract and helping improve the dynamic between my landlords, Abramsom Brothers and myself, which is very important to me.*

*This program is really critical to keep around as small businesses are so important to the vitality of New York City and afar, especially in an economic downturn. Please support keeping this program alive, helping other small businesses stay open and get back on their feet, despite the enormous challenges we are experiencing.*

*Brooklyn A's Commercial Lease Assistance Program saved my business, I'm hoping this is the case for many others for years to come!*

*Thank you for the opportunity to testify today.*