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TESTIMONY

BY

COMMISSIONER KEVIN D. KIM

NYC

DEPARTMENT OF SMALL BUSINESS SERVICES

BEFORE

THE COMMITTEE ON SMALL BUSINESS

OF THE

NYC COUNCIL

TUESDAY, MARCH 7, 2023



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Good morning Chair Menin and members of the Committee on Small Business. My name is Kevin D. Kim, and I am the Commissioner of the NYC Department of Small Business Services ("SBS"). Joining me today are SBS's First Deputy Commissioner Jackie Mallon and Executive Deputy Commissioner Dynishal Gross, along with members of my senior leadership team. I am pleased to appear before you today to offer my testimony on SBS's Fiscal Year 2024 ("FY24") Preliminary Budget.

SBS's FY24 Preliminary Budget is \$164.3 million with a headcount of 317 employees, 11 higher than at the start of this Administration. Our budget includes \$71.9 million in pass-through funding to other City entities, including the NYC Economic Development Corporation ("EDC") (\$34.2M), NYC & Company (\$20.2M), and Governors Island (\$17.5M). We serve as a conduit to these entities, and thus, do not spend or manage any of these funds. The remaining \$92.4 million is allocated to SBS' own programs and services. This budget enables us to continue to support New Yorkers in our recovery.

A year ago, I sat before you as a newly appointed Commissioner and presented several items from Mayor Eric Adams' *Blueprint for Economic Recovery* – our roadmap to prosperity. I'm pleased to report that in the year since, the dedicated staff at SBS rolled up their sleeves and got stuff done for the jobseekers, businesses, and neighborhoods we serve. We could not have accomplished all we did without the support and cooperation of our partners, including the 76 Business Improvement Districts ("BIDS"), merchant associations, Chambers of Commerce, non-profit community-based organizations, and of course, you, our local elected officials.

Under the Mayor's leadership and with support from Chair Menin and the members of this committee, SBS helped build a path to recovery. Tourism and retail spending, for example, are returning to pre-pandemic levels. According to the latest numbers from EDC, NYC's private sector added approximately 200,000 jobs since December 2021 and approximately 13,600 new businesses have launched in the city in the first six months of 2022. We have more positive data to share later in the testimony but want to first provide an overview of our agency and its mission.

SBS Overview

SBS's mission is to unlock NYC's economic potential and create economic security for all New Yorkers by connecting them to good jobs, creating stronger businesses, and building thriving, vibrant neighborhoods. We advance this mission daily through the work of our four main divisions: the Division of Business Services ("DBS"), the Division of Economic and Financial

Opportunity (“DEFO”), the Workforce Development Division (“WDD”), and the Neighborhood Development Division (“NDD”).

DBS

Our DBS division helps businesses connect to financing options and to free resources, ranging from business courses to legal services. A prime example of a DBS success story is its work to help open the Urban Hawker food court in midtown. A business concept since 2013, the City’s first Singaporean food hall finally opened its doors in September 2022, but not before facing numerous regulatory challenges to open. SBS staff worked diligently for 8 months to help the 18 small businesses in the food hall navigate permitting processes, inspections, and even staff recruitment.

This is just one of many success stories at SBS. As Commissioner, I have met with hundreds of New Yorkers from Flatbush to Far Rockaway, to Fordham Road, who are on similar journeys and appreciate this Administration’s focus on easing regulatory burdens, including through Mayor Adams’ second executive order – also known as Small Business Forward. Thanks to Chair Menin’s partnership, we look forward to finalizing dozens of reforms through legislation, putting millions of dollars back into the hands of small business owners. Today, the work of Small Business Forward continues through Mayor Adams’ Small Business Advisory Commission and the development of the NYC Business Portal, a one-stop-shop for local entrepreneurs to navigate multiple City agencies as we continue to make NYC a “City of Yes” for small businesses.

Slashing through burdensome regulations was just the first step. Last spring, SBS launched our new NYC Business Express Service Team (“NYC BEST”) to save business owners time and money by streamlining government processes, providing one-on-one assistance with permits and licenses, and guidance to avoid violations and fines.

We also prioritized community outreach by creating our first-ever, agency-wide outreach unit dedicated to getting our services out into all neighborhoods, focusing on underserved communities. In FY22, for example, we conducted 26 mobile outreach events and we have already exceeded this in FY23 with 30 events held across 25 different neighborhoods, prioritizing outreach in-language and in tandem with trusted community partners. We also never miss an opportunity to promote our SBS Hotline, 1-888-SBS-4NYC, which recently passed 100,000 calls since its launch during the pandemic.



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Our outreach efforts dramatically increased our ability to deliver other services as well. In FY22, for example, compliance advisors advised 1,622 unique businesses – nearly four times as many as the previous fiscal year – and we have already surpassed that number in FY23 at 1,800 business served. Another example is our success with the Commercial Lease Assistance program. In FY22 alone, we served 16 percent more businesses than the number served in this program between FY18-FY21, combined.

DEFO

SBS's DEFO unit helps the City's Minority and Women-owned Business Enterprises ("M/WBEs") connect to government contracting opportunities. In total, City agencies and authorities awarded \$6.5 billion in contracts for M/WBEs under the OneNYC program in FY22 – a more than 55 percent increase from FY21. In addition, over 1,600 individual M/WBEs were awarded a City contract last year under the City's formal LL1 program, up 13 percent from FY21. This reflects nearly \$1.4 billion in contracts to those M/WBEs, a record high for the program.

In FY23, SBS hosted the first in-person Citywide procurement fair since the pandemic with over 700 businesses in attendance, marking the 30th year of the City's program. One of the business owners in attendance, Jade Singleton, a black woman entrepreneur from Brooklyn worked with our team to get her business certified. Because of the connections she made at the fair, she not only secured her first City contract with the Department of Housing Preservation and Development ("HPD") but landed her second contract soon after.

This was also the year the City surpassed our OneNYC commitment to award \$25 billion in contracts to M/WBEs by FY25 — three years ahead of schedule. Mayor Adams recently announced a new goal to double the City's current rate of contracting with M/WBEs. We are already hitting the ground running with the Mayor's appointment of the first-ever Chief Business Diversity Officer, Michael Garner, an expert M/WBE strategist and leader.

Working with our partners in Albany and in the Mayor's Office of Contract Services ("MOCS"), we are proud to have increased the threshold limit on City contracts for certified M/WBEs from \$500,000 to \$1 million. This will allow M/WBEs to compete rigorously for larger contracts. But this Administration's commitment to equity and partnership with the State doesn't stop there. Governor Hochul's FY24 Executive Budget recognized important steps toward achieving reciprocity between our respective certification processes that will make it easier for businesses to contract with both the City and the State.

WDD

SBS's WDD division works daily to connect New Yorkers to new employment and job training opportunities through our 18 Workforce1 Career Centers. In FY22, we connected New Yorkers to 25,000 jobs with an average wage of \$18 per hour. Already in FY23, we have served 57,000 New Yorkers with resume help, honing interview skills, and job searches, putting us on track to reach our annual goal of 25,000 job connections once again.

Additionally, many of our job training programs returned to in-person service in 2022, including NCLEX-RN, our 8-month long program which prepares internationally trained nurses to pass their U.S. licensing exam. In January, I attended the graduation of Lehman College's first cohort of NCLEX-RN, which Mayor Adams expanded at the start of this Administration. There, I met Claudia Hurtado, a registered nurse and mother of four from Venezuela. Claudia did not pass the State's licensing test when she studied on her own. However, with our help, Claudia passed the State exam in January, received a job offer from Bellevue Hospital here in the city, and will start work in April.

NDD

Our NDD division oversees and guides our network of 76 BIDs. In FY23, NDD deployed several new grant programs, including awards of nearly \$5.3 million to support the formation of new BIDs and strengthen the operations of our smaller BIDs, and \$2 million to lift up merchants' associations. We also awarded \$3.8 million to 24 community-based development organizations working in low-to-moderate income neighborhoods through our longstanding programs, Avenue NYC and Neighborhood 360°.

Groups such as the Morris Park BID in Council Member Velazquez's district and the Gateway JFK BID in Majority Whip Brooks Powers's district are some of the many organizations that have taken advantage of these brand-new programs to expand efforts to attract new businesses, and clean and beautify the corridors. Thank you, Chair Menin, for your continued support of our BIDs.

Cannabis NYC

From Day One of this Administration, Mayor Adams has been clear that the cannabis industry holds great promise for equity and economic growth. This past August, SBS successfully launched our Cannabis NYC initiative, which offers technical assistance, education, and support



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to budding entrepreneurs. Most recently, in partnership with the NYC Housing Authority ("NYCHA"), Mayor's Office of Equity ("MOE"), and the Sheriff's Office, we kicked off our Lift Off! Cannabis NYC Listening & Learning Tour, an ambitious series of community education events.

NYC Opportunity Fund

Last, but certainly not least, we successfully rolled out the NYC Small Business Opportunity Fund. The fund — made possible by a historic public-private partnership between the City, Goldman Sachs, Mastercard Center for Inclusive Growth, and eight community development financial institutions ("CDFIs") — is the single largest public-private effort by the City in its history to support small businesses.

The Opportunity Fund offers loans with a market-leading interest rate of four percent and no minimum credit score for eligibility. The response to this program was strong, with over 10,000 small businesses submitting pre-applications over a three-week period. This response was bolstered by SBS's proactive outreach strategy and historic partnership with multiple CDFIs. We deployed dozens of staff and volunteers, going door-to-door to over 500 businesses, including more than 120 in the Bronx on launch day. We also engaged approximately 350 community organizations and business associations to help spread the word in 21 languages.

In closing, SBS is dedicated to fulfilling Mayor Adams' clear and bold economic agenda built on equity and inclusivity. Our work with this Council has played a critical part in our accomplishments this past year. I look forward to our continued partnership and welcome any questions you may have for me or my team.

Thank you.



TESTIMONY BEFORE NYC COUNCIL – COMMITTEE ON SMALL BUSINESS
Preliminary Budget Hearing – SBS
March 7th 2023

Chair Menin and Members of the New York City Council Committee on Small Business,

My name is Erin Piscopink and I am testifying today on behalf of the NYC BID Association, where I serve as a volunteer Co-Chair of our Contracting Working Group. I am also the Executive Director of the Grand Street BID in Brooklyn.

The NYC BID Association represents all of the city's 76 Business Improvement Districts which are as diverse as the city itself. We are proud to serve nearly 300 miles of commercial corridors including around 100,000 business and to invest more than a combined \$160M back into our communities. We've worked harder than ever during the pandemic and to support our city's economic recovery, providing critical public safety and sanitation services as well as running new programs such as Open Streets and leading advocacy for Open Storefronts.

We are very grateful for the partnership of Mayor Adams, Commissioner Kim, and the City Council over the past year. In particular, we want to thank Chair Menin for her advocacy in support of additional funding for small BIDs to deliver critical services, as well as Mayor Adams and SBS for answering that call. As part of the Rebuild, Renew, Reinvent Blueprint for Economic Recovery, Mayor Adams laid out an ambitious plan to form new BIDs, expand current BID catchment areas, and to provide additional assistance to small BIDs to serve districts across the city. We know that many small BIDs are already hard at work to deliver on the promise of this funding which is being put to use on everything from graffiti removal and street beautification to lights for Ramadan celebrations and business attraction efforts. Unfortunately since this is a new program, BIDs are now rushing to deliver these services as quickly as possible before the fiscal year ends, which is challenging. It is our sincere hope that this critical funding is renewed and ideally baselined so that BIDs can strategically plan to use this funding for the most important needs of their districts moving forward. We strongly urge Mayor Adams and the City Council to continue to support our small BIDs through this new program.

In addition to the critical work our BIDs do on the ground, we are proud that two BID leaders, Matthew Bauer and Nina Flores, have been serving on the Mayor's Small Business Advisory Commission. We hope that we can continue to work with SBS, the Mayor, and the Council to advance reform efforts including four key priorities identified by the BID Association's Regulatory Reform Committee, which are:

1. Requiring that drafters of regulations directly affecting small businesses (be it the Council considering legislation or agencies in rulemaking)—analyze and disclose economic impacts in those businesses prior to enactment. The recent DSNY trash set-out rules are a recent example of an agency not fully considering the impact on small businesses.
2. Requiring that any new or existing enforcement actions are consistently and evenly applied to all businesses. Enforcement should not come as a surprise, and businesses should never feel that their neighbors are receiving unequal treatment.
3. Unfunded mandates on small businesses should be limited in use and carefully scrutinized
4. The BID Association wants to fully assist SBS in the planning and rollout of the new small business portal that is currently under development.

We are very grateful for the partnership of the Mayor, Commissioner Kim, and the City Council. We look forward to continuing our important work with your support.

Testimony of New York City Employment and Training Coalition (NYCETC)

New York City Council Budget and Oversight Hearings on the Preliminary Budget for Fiscal Year 2024, the Preliminary Capital Plan for Fiscal Years 2024-2027, Fiscal 2024-2033 Preliminary Ten-Year Capital Strategy, and the Fiscal 2023 Preliminary Mayor's Management Report

COMMITTEE ON SMALL BUSINESS

Submitted by Gregory J Morris, CEO

March 6, 2023

I'd like to thank Chair Menin for her leadership and the opportunity to provide testimony. I'm Gregory J Morris, CEO of the New York City Employment and Training Coalition (NYCETC) - the largest city-based workforce development association in the country. For 25 years, NYCETC has played a vital role in presenting and championing policy priorities that 1) support the alignment and coordination of our City's workforce development and economic development communities; 2) seek to reduce and/or eliminate barriers to employment based on systemic and structural racism; and 3) supply every New Yorker with the skills, training and education needed to thrive in 21st century. Over the last two years, NYCETC has influenced both the previous and current city administrations by hosting industry roundtables, annual conferences, and on-the-record [meet the candidates discussions](#). It has also convened public and private sector leaders (e.g. [NY Workforce Recovery Strategy Group](#)) to develop responses to the unemployment crisis caused by the pandemic ("[Recovery for All: A Vision for New York City's Equitable Economic Recovery](#)") and proactively addressed long standing disparities in economic development, workforce development and affordable housing ([NYC Inclusive Growth Initiative](#).)

Today, NYCETC is the '*industry voice*' of more than 200 workforce development providers serving 600,000 New Yorkers—primarily individuals who live in under-resourced neighborhoods, identify as BIPOC, and have low to moderate incomes—and it is the '*connective tissue*' that fills strategic, operational, and programmatic gaps between stakeholders - providers and employers, business alliances and labor, city and state, higher ed and philanthropy. Each of these stakeholders have responsibility for addressing the City's siloed and under-funded workforce development ecosystem for the purpose of propelling our City forward on its path to an equitable and inclusive recovery. Recent reports by NYCETC and its intermediary partners emphasize specific data points that highlight the economic challenges experienced by service providers and New Yorkers who can least afford to lose work and wages:

- New York's City unemployment rate was 6.1 percent in the third quarter of 2022, well above the nation's 3.5 percent. Black workers had an unemployment rate of 9.8 percent, compared to 3.5 percent for white workers.¹

¹ "[NYC's Unsettled Covid-19 Era Labor Market: The Case for an Active Labor Market Policy \(January 2023\)](#)"

- Employment rates for young males, ages 18-24, dropped from 49 percent in the six months before the pandemic to 38 percent over the second and third quarters of 2022.
- The number of city residents receiving cash assistance has surged by 112,000, or 35 percent, from February 2020 to September 2022.
- Direct service providers from over a dozen organizations reported that many New Yorkers were reluctant to jump back into the same jobs they had before COVID, looking for opportunities that offer remote options, more flexibility and health protections, higher wages or room for growth.²

Compared to the U.S. overall, New York City's economic recovery lags behind the rest of the U.S., and while the net deficit loss is 116,000 payroll jobs (compared to February 2020), the face-to-face workforce - retail and hospitality services, construction and manufacturing - lost 180,000 jobs. That loss disproportionately left Black and Latinx workers, women, young people, and individuals without college degrees unemployed. Those who are suffering from pandemic-related employment dislocations – and the many more struggling in accessing employment or affordable housing due to their age, level of education, history of justice involvement, or immigration status – are in the greatest need of support that can help reconnect them with quality job opportunities. Those New Yorkers make up the majority of the population NYCETC is committed to putting on pathways to quality jobs and economic self-sufficiency. **To equalize opportunity for all New Yorkers, I respectfully request that the Council invests in workforce development now while leading efforts to increase access to quality jobs over time:**

- **Commit to investing an additional \$5,000,000 in support of Small Business Services and Workforce Development Initiatives** that position underserved New Yorkers — primarily New Yorkers of color, New Yorkers with low- or moderate-incomes, New Yorkers with multiple barriers to employment, and New Yorkers who have been left out of the growing economy due to systemic and historic marginalization — for success in the workforce. Here's how:
 - Increase funding the **Job Training and Placement Initiative** to \$10,000,000 by including the New York City Employment and Training Coalition as an additional grantee in the amount of \$1,750,000 for the purpose of ensuring that coalition members in every borough can expand access to quality jobs in the highest poverty neighborhoods in New York City.
 - Increase funding for the **Workers Cooperative Business Development Initiative** to \$5,000,000. Worker cooperatives have proven to be an effective and sustainable strategy to democratize access to business ownership and bolster local economies.
 - Increase funding for the **Chamber on the Go and Small Business Assistance** to \$3,000,000. This is an essential investment in the businesses and entrepreneurs that

² [New York City's Workforce Landscape \(September 2022\)](#)

are innovative, dynamic, and uniquely positioned to provide meaningful jobs in every borough.

- Increasing funding for **MWBE Leadership Associations** to \$1,000,000. When we commit to the sustainability and expansion of MWBEs, we improve access to opportunity for more New Yorkers — and ensure that our business community reflects the diversity of our City.
- **Create a citywide initiative to connect local talent to small business jobs.** Small businesses employ nearly half of the city's workforce. Mayor Adams and the New York City Council must establish and fund a new initiative — the **Small Business Jobs for All** program — to build pathways that connect local job seekers to good-paying careers through targeted investments in skills and training programs tailored to meet the ever-changing needs of New York City's small businesses.
- **Create transparency and accountability by establishing robust workforce development goals and key performance indicators (KPIs) that align to a shared city-wide workforce agenda.** The compliance efforts must include a sub-committee for convening and oversight (*Sub-committee on Labor Market Access and Equity*), quarterly reports tracking the City's progress toward its workforce development goals, the establishment of an interactive map that assess and focuses on the needs of specific populations, neighborhoods, and sectors that require attention and investment to improve workforce access and equity.
- **Create and fund social services that allow working families to participate in the workforce.** First and foremost, New York City must create an in-training child care subsidy program to support women and single parents who would otherwise be unable to access the skills and education they need to access good-paying jobs. Likewise, the City must ensure that it funds dual training vouchers to help job seekers pay for the short-term training they need to access new opportunities.
- **Commit to restoring and doubling the City's investment in school-year career readiness and paid internship programs from \$9,700,000 to \$20,000,000.** Since the pandemic struck, employment rates have fallen much more sharply for young adults than any other group. Programs like CareerReady WLG and the Career Readiness and Modern Youth Apprenticeship (CRMYA) are vital to ensure our city's young adults have the skills and education they need to access good-paying careers in their communities. New York City leaders must commit to double the investment in these programs in the FY24 New York City budget. The efforts that we make in support of youth employment should match the commitment that we make to Summer Youth Employment. *This investment will serve as the on-ramp to apprenticeships.*
- **Commit to pay equity between NYC's agencies and contracted providers, and timely contract payments to increase retention and employment success rates; and ensure support is available to New Yorkers who need additional access and support to find, secure, and retain employment.**

NYC relies heavily on nonprofit workforce development providers to connect its residents with access to jobs; and the services and training necessary for securing long-term, family-sustaining employment. The City pays for approximately half of workforce development program offerings across the five boroughs, and relies on the non-profit and community-based organizations within the coalition to provide them to New Yorkers of all ages facing barriers to employment. The need for these services – job training and placement, career exploration, internships and apprenticeships, adult education and literacy, college access and persistence programs, wage subsidies, employment retention and advancement services, and benefits access and tax preparation – has only increased since the onset of COVID-19. While recent communications from the [Adams administration](#) regarding an expansion of apprenticeship are promising, job seekers who already face discrimination in the labor market – especially young Black men who continue to experience alarming rates of unemployment – will not find access to apprenticeships without first having access to strong employment “pipelines” that include career development, pre-apprenticeships, “bridge” programs, and supportive services.

New York City’s workforce is the backbone of its economic success. Whether it's the New Yorkers who drive our local economy today, or the young people who will make up our future workforce, the City of New York does better when its people have access to the resources and education they need to access good paying jobs that sustain them and their communities. Our workforce development system is as diverse and ambitious as the city itself, yet there are still too many systemic barriers and disconnections that hold us back from a truly inclusive economy. To ensure an equitable pandemic recovery, please support funding for workforce development by using this budget to protect and invest in the quality training, “retraining” and retention services and supports necessary to maximize employer access to talent while advancing efforts to ensure living wages for all, expand community hiring initiatives, and reduce employment barriers for New Yorkers who receive assistance.

Thank you for the opportunity to provide testimony on the budget. For further questions, I can be reached at ###-###-#### or gmorris@nycetc.org.



**Testimony to the New York City Council
Committee on Small Business**

March 7th, 2023

Thank you Committee Chair Menin and the Small Business Committee for holding this hearing. I am Ahyoung Kim, the Director of Economic Empowerment at the Asian American Federation, where we proudly represent the collective voice of more than 70 member nonprofits serving 1.5 million Asian New Yorkers.

Through our Small Business Program, we directly serve hundreds of Asian-owned small businesses in Queens. We also work closely with industry-specific immigrant small business groups that support thousands of Asian small business owners across the city, such as the Korean American Business Council of New York.

We are grateful for the continued support from the Department of Small Business Services (SBS) on programs that allow real changes to be made on the ground, as well as Council-driven initiatives like the Neighborhood Development Grant Initiative. We also look forward to improved language access to SBS services materializing as a result of the Language Quality Assurance Project.

On the ground, our business owners have shared gratitude for the increase in community engagement from both Commissioner Kim and SBS staff in outer boroughs that have traditionally been hardest-to-reach and often overlooked in outreach efforts. We hope that such efforts will lead to new initiatives that answer neighborhood-specific needs in our immigrant small business communities.

Asian American small businesses across the City are in need of increased direct investment in their commercial corridors; continued efforts to keep everyone informed and connected regarding City policies and regulation changes; and meaningful investment to fortify their storefront security amid continuing anti-Asian hate.

Expanding place-based commercial revitalization programs

Through our work on various SBS programs, we have found that place-based projects aimed at specific neighborhoods and commercial corridors have the most direct and meaningful outcomes. Our work on the Avenue NYC program, for example, has brought us more deeply into the neighborhood of Murray Hill, Queens. This program allowed us the staffing and funding to canvass thoroughly along the main commercial corridors, build meaningful relationships with merchants, and organize community events that bring residents together. During our community engagement efforts, merchants have shared that they had not realized the various ways SBS invests in commercial corridor revitalization. This program, with the ample support of SBS staff for CBOs to utilize City resources, has been instrumental in raising awareness for the need to engage with City agencies among community members who have traditionally been left out of economic development efforts from the City.

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We encourage SBS to expand such place-based programming. We see a clear need for these programs in other areas of Queens that are not currently covered - for example, in the Elmhurst and Jackson Heights area, which covers many severely underserved South and East Asian communities. Community-based organizations such as AAF and our member organizations are best-positioned to observe and address the gaps in government service and we strongly urge the city to continue investing in CBOs who already have trusting relationships with business owners in these communities, who can serve as a necessary conduit for resources going to underserved neighborhoods.

Continue to support SBS's Asian American Task Force

The SBS Asian American Task Force has been a valuable resource in learning what Asian CBOs are seeing on the ground in our communities and neighborhoods. It has enabled a "bird's eye" view of what the salient issues are in the Asian American community in New York City as a whole, allowing us to better identify what policy recommendations to make to the city, as well.

In the past, this Task Force proved to be effective in community outreach and garnering feedback on new SBS initiatives such as the Key to NYC Initiative. Through dynamic discussions and the ability to engage with Asian American small businesses across the city, task force members were able to raise specific concerns about the new initiative, and SBS staff were helpful in addressing them directly with the small businesses who would otherwise have no access to agency staff.

Such an active two-way conversation, between City agency staff and CBOs on the ground, needs more active support and expansion. Other Asian business organizations, such as the Korean American Business Council, have expressed explicit interest in joining the task force. However, the current set-up of the task force, in which only one person convenes meetings, is an unsustainable model if it is to be a meaningful resource for the Asian American community. Since the beginning of 2023, no new meetings have been held, which we understand is a direct result of how under-resourced it is. We urge SBS and this Committee to prioritize just these kinds of efforts, and send more resources to them so they can expand in-demand work that resonates with our community.

Commit meaningful investments to storefront security

Throughout the city, in Flushing, in Murray Hill, Queens, in Elmhurst, Jackson Heights, Astoria, and Sunset Park, public safety is the concern we hear about most from immigrant Asian business owners. Asian businesses have consistently been targeted for burglaries, robberies in broad daylight, and harassment stemming from race-based hate throughout the city since the pandemic. Public safety is a concern across our communities, and the racially targeted language and harassment that often accompanies these attacks on Asian businesses makes this a particularly stressful and traumatic time for the Asian community as a whole.

The city's response so far to urgent public safety concerns on our commercial corridors has been disappointing. Corridor walks with local police departments and senior NYPD officials may be useful for building relationships with local merchants, but it is also clear to everyone involved that such meetings and conversations have not produced any tangible results for our business owners. Business owners are tired of being targeted, tired of not getting any response from local police, tired of watching theft, harassment, and crime continue on their corridors, and have largely lost trust in the city's ability to protect their businesses.

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This is why we urge this Committee to prioritize making meaningful investments in storefront security. Our communities need cameras and security systems for their storefronts. They need police who are willing to respond to harassment complaints even if there is no immediate bodily harm involved. SBS resources, in the form of time, funding, and active engagement with NYPD and other agencies, are direly needed to address public safety concerns.

Thank you again for this opportunity to submit testimony. We look forward to continuing to work closely with City Council and SBS.



Remarks delivered by: Guy Yedwab, President, Board of Directors

On behalf of: League of Independent Theater

March 7, 2023

Committee on Small Business

Testimony on the Preliminary Budget

Thank you Chair, and to the committee for the opportunity to speak to you today.

The League of Independent Theater is an all-volunteer advocacy organization for workers and owners of small, 99-seat-or-less theaters across all five boroughs. Arts small businesses like small theaters, rehearsal spaces, and dance halls are small businesses. Every dollar spent supporting those small businesses not only support those small businesses themselves, but also the network of nearby businesses – bodegas, retail, and restaurants – that are benefitted by the increased foot traffic that a theatergoing audience brings. At a time when small businesses are concerned at the loss of foot traffic because of reduced office use, theater and dance is still drawing people out onto main streets throughout the five boroughs.

To that end, we ask the members of the Committee on Small Business to join with the Committee on Cultural Affairs to increase baseline funding for the Department of Cultural Affairs. Baselining the \$40 million from last year, and adding an additional \$10 million, will ensure that artistic small businesses can continue to contribute to this city's economy.

We also ask that programs funded by the Committee on Small Business not discriminate against small businesses based on their form of legal organization. For



example, the incredibly valuable Commercial Lease Assistance program needlessly excludes non-profit small businesses. A commercial lease is a commercial lease, regardless of how the small business is formed. An art gallery be served just as well as a bodega. The need for commercial lease assistance remains great.

Thank you for your time. We look forward to testifying again soon, at a hearing before this committee on Commercial Rent Stabilization.



Appendix: Additional Information Regarding Vacancies

During the hearing, Councilmembers asked questions of the Department of Small Business Services about whether they were collecting data on storefront vacancies. In addition to prepared remarks, I told the Committee about data currently being gathered by the Department of Finance on the subject:

[Local Law 157 of 2019](#) and its amendments in [Local Law 95 of 2022](#) required commercial landlords to file information on rents charged and vacant storefronts. The Department of Finance have released their latest numbers [here](#):

[Storefronts Reported Vacant or Not](#)

[Class One Data](#)

[Class Two Data](#)

As of yet, we have not yet seen any government agencies analyze the data.

To gather more information on this subject, Introduction 0093-2022 requires all landlords of all commercial spaces (not limited to storefronts) how many commercial spaces are owned, what rents are charged, and the lease term.

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

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

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Carina Kaufman - Gutierrez

Address: _____

I represent: Street Vendor Project, Urban Justice Center

Address: 40 Rector St. 9th Floor, NY, NY 10006

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Appearance Card

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☐ in favor ☐ in opposition

Date: 3/7/23

(PLEASE PRINT)

Name: Erin Piscopink

Address: N 1st St, 11049

I represent: NYC BID Association

Address: _____

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THE CITY OF NEW YORK**

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☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Dynishaal Gross

Address: _____

I represent: SP-1

Address: Executive Commissioner

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

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

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

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Jackie Hall

Address: _____

I represent: _____

Address: First Deputy Commissioner

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

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

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

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Kevin D. Kim

Address: _____

I represent: Commissioner SBS

Address: _____

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