CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON SMALL BUSINESS

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October 15, 2025
Start: 10:39 a.m.
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HELD AT: 250 Broadway – 8th Floor – Hearing Room 1

B E F O R E: Oswald J. Feliz, Chairperson

COUNCIL MEMBERS:
Erik D. Bottcher
Selvena N. Brooks-Powers
Amanda Farias
Shekar Krishnan
Vickie Paladino
Sandra Ung
Susan Zhuang

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

Haris Khan
New York City Department of Small Business Services

Darry Saldana
Bronx Chamber of Commerce

SERGEANT AT ARMS: Testing one, two. One, two. Today's hearing is the Committee on Small Business. Today's date is October 15, 2025. Location HR 1 being recorded by Keith Polite.

SERGEANT AT ARMS: Good morning and welcome to the New York City Council Hearing of the Committee on Small Business. At this time, can everybody please silence your cellphones? If you wish to testify, please go to the outside of the room to fill out a testimony slip. At this time and going forward, no one is to approach the dais. I repeat, no one is to approach the dais. Chair, we are ready to begin.

CHAIRPERSON FELIZ: [GAVEL] Thank you. Good morning everyone. I am Council Member Oswald Feliz, Chair of the Committee on Small Business. I want to start by thanking everyone for joining us today for todays hearing on Cyber Security for Small Businesses.

The Committee of Small Business will hear two pieces of legislation today, including Number One, my bill Introduction 180, which requires the creation of a program to provide financial assistance to small business for the purchasing of security related technology, such as cameras, plexiglass and other technology to deter unlawful conduct, including retail theft and violence.

And number two, Introduction 1350 from Majority Leader Amanda Farias. Amanda, thank you for joining us today. 1350 in relation to small business loan readiness resources. I'd like to thank representatives from the Administration, members of the public, and my Council colleagues who have joined us today, including Council Members Erik Bottcher, Sandra Ung, Majority Leader Amanda Farias, and Council Member Majority Whip Selvena Brooks-Powers who has joined us online.

Small businesses are the heart of our economy and we must protect them from threats that hurt their ability to operate. Cyber security is a significant and increasingly important concern for small businesses. In the last few years, waves of cyber-crime against small businesses have been reported and Gen AI has made various forms of cyber disruption even easier for bad actors to take part in.

For our small businesses, cyber security is often an unfamiliar and even confusing territory which makes them even more unprepared for cyber-attacks. Our small businesses and our consumers deserve safety and protection from malicious cyber attacks and it is important that our small businesses be informed and empowered to bolster their cyber security. We look forward to hearing from the Department of Small Business Services about their cyber security assistance to small businesses and from small businesses about their cyber secure needs and concerns.

Additionally, the bills we're hearing today are also important for improving the safety and sustainability of our small businesses. My bill, Introduction 180 would require the city to establish a small business security system program to provide financial assistance to our owners of small businesses that would reduce the cost of purchasing and installing security system technology. My bill would help bolster their physical security systems.

Introduction 1350 would require SBS to provide a loan readiness program to help small businesses prepare for the lending process and to help them understand the services offered by Community Development Financial Institutions, CDFI's as well as other lenders. These resources would include assistance with business plan development, preparation of financial documents and understanding loan application requirements.

I look forward to hearing from Majority Leader Farias to speak more about her bill, Introduction 1350, which seeks to support the financial stability of our small businesses. I would like to thank Luke Hamel and Rebecca Barilla from central staff for their work in putting this hearing together as well as my own Chief of Staff Esperanza Dias, my Deputy Chief of Staff Guillermo Rodriguez, my Budget Director Santiago Baena, and everyone working behind the scenes to make this hearing a reality.

I will now turn it over to our Majority Leader Amanda Farias to give a brief statement on her bill.

MAJORITY LEADER FARIAS: Thank you Chair Feliz and thank you to all of my colleagues on the Committee on Small Business for this hearing and hearing my Bill 1350. I also want to recognize my Co-sponsors Council Members Farah Louis, Justin Brannan, Shahana Hanif and Gale Brewer for joining me in advancing this legislation and to the members of this Committee, I hope they'll join me in supporting this bill as part of your ongoing commitment to New York City small business community.

Intro. 1350 addresses one of the most persistent challenges facing small business owners access to capital. Even when financing is available through banks or a Community Development Financial Institutions or CDFI's, many entrepreneurs lack the technical support needed to navigate the process. From preparing business plans to understanding lender requirements. This bill mandates that the Department of Small Business Services provide loan readiness resources to help small businesses prepare for the lending process and understand the services offered by CDFI's and other lenders. That includes support for business plan development, preparation of financial documents, and understanding loan applications requirements. By establishing this mandate, not just a policy, we're making sure that these vital services aren't optional.

They are part of the city's core responsibility to entrepreneurs who drive our local economy. Currently, access to capital is an equity issue in New York City, particularly for women, immigrants, and entrepreneurs of color who face systemic structural barriers in financing.

This bill ensures that every business owner regardless of their background or borough has access to the same tools, information and readiness support to compete and succeed. This is how we move from simply promoting small business growth to ensuring small business readiness. Readiness to borrow, to build, and to sustain. Thank you again to Chair Feliz for your leadership and thank you to the colleagues on this Committee for your continued advocacy on behalf of our small businesses throughout our communities. I respectfully ask for support of Intro. 1350 so we can ensure every small business in New York City has a fair and informed path to opportunity and I look forward to the ongoing conversations with the Administration. Thank you.

CHAIRPERSON FELIZ: Thank you. Thank you so much Majority Leader. I'll now turn it over to Committee Counsel to administer the oath before we hear from the Administration.

COMMITTEE COUNSEL: Before we begin testimony, I will administer the oath to all members of the Administration who will be offering testimony and will be available for questions. Please raise your right hands. Do you swear or affirm to tell the truth, the whole truth and nothing but the truth before this Committee and respond honestly to Council Member questions?

HARIS KHAN: I do.

COMMITTEE COUNSEL: Thank you. You may proceed when ready.

HARIS KHAN: Thank you so much. Good morning Chair Feliz. Good morning Majority Leader Farias, Council Member Bottcher, Council Member Ung, Majority Whip Selvena Brooks-Powers and members of the Committee on Small Businesses. My name is Haris Khan; I'm the Chief of Staff at the new York City Department of Small Business Services. I'm pleased to join today's hearing and share how SBS protects small businesses by mitigating their cyber security risks and supporting their continued growth in New York City. Thank you for the opportunity to testify today.

At SBS, our mission is to create economic security for all New Yorkers by connecting them to good jobs, creating stronger businesses, and building thriving neighborhoods. Today, New York City is witnessing an entrepreneurship boom. Staten Island and the Bronx are leading the way with lower storefront vacancy rates than pre-pandemic levels. Entrepreneurs are opening stores, innovating with unique products and services, sustaining vibrancy on our commercial corridors despite macroeconomic pressures, the rise of ecommerce and bureaucratic red tape.

Our agency's almost 300 person dedicated team has worked tirelessly to rescue our local economy and taken it to new heights since COVID-19, delivering on priorities outlined in the Mayor's Blueprint for Economic Recovery. Whether it be through the $44 million invested in local neighborhoods for merchant organizing, supplemental sanitation, holiday lights, and neighborhood festivals that have attracted tourists and shoppers alike, or the 50 hiring halls that have served over 15,000 jobseekers in high-unemployment zip codes, we are bringing transformative opportunities and monitoring threats faced by our small businesses every single day. We also know that the hard-earned successes of our small businesses on main street can easily be lost due to unexpected disasters and disruptions. To that end, SBS's business preparedness and resiliency program, also known as BPRP equips business owners with essential tools to identify vulnerabilities and bolster overall readiness in the case of unexpected events. These sources on our My City business website including our self-assessment tool and SBS's educational webinars offer accessible entry points for businesses to initiate their resiliency journey.

In April of 2024, we also launched new BPRP grants for businesses to initiate their resiliency journey by offering free onsite risk assessment to identify vulnerabilities and accompanying grants of up to $5,000 for eligible small businesses and commercial property owners to shore up their infrastructure with items like generators, fire and flood protection, flood barriers, back up hard drives for critical data and security cameras. Our preparedness curriculum is specifically designed to incorporate guidance on cyber security. In addition to BPRP, we also are proud of our strong partnerships with Master Cords Digital Doors program, Google, the Global Cyber Alliance and other industry experts to share credible resources that are accessible to busy mom and pop small business operators.

Over the past four years, we've educated over 1,000 New Yorkers on the importance of cyber security and featured the topic at our 2024 and 2025 New York City Small Business Month Expo. Our Expos are the city's largest free events for small businesses with over 3,000 attendees with 130 plus resources, 15 workshops, more than 40 city, state and federal agencies as well as other private sector partners.

In this month, in honor of National Cyber Security Awareness Month, we're working with the New York City Office of Technology and Innovation to refresh our materials and conduct further outreach on cyber security resources for small businesses. We're also planning a follow up event this year, building on our May 28th in person event that was focused on digital literacy, cyber security, and artificial intelligence.

Small, preventative actions can save businesses time and money in the future and we would greatly appreciate your continued support in connecting your constituents to our agency so they can learn how to ready their businesses, uhm, how ready their businesses are to handle disruptions, understand risks and get tailored recommendations on how to improve their preparedness.

Now, I'd like to turn to the two bills being heard today. Intro. 180 sponsored by Chair Feliz would require the Department of Small Business Services or another agency designated by the Mayor to establish a financial assistance program for small businesses purchasing security system technology. We appreciate Chair Feliz's continued attention to the issue of retail theft, which has effected small businesses across the five boroughs.

Following the pandemic, SBS work closely with City Hall, local district attorney's and the New York Police Department to better understand and elevate concerns around retail theft. SBS helped encourage the creation of the Mayor's Retail Theft Taskforce and contributed to the recommendations featured in its In Our Goal Report. Since then, the Administration has piloted several new initiatives and NYPD reports that retail theft has decreased by ten percent since 2023.

Last year, the NYPD also announced its Expanded Business Camera Registration program developed in partnership with FUSUS, which allows participating businesses to voluntarily share real-time camera feeds with their local precincts. This citywide program builds on the Mayor's Office of Public Safety and the NYPD's 2023 pilot in Queens with the Flushing Business Improvement District.

This year, the Administration also launched the Silent Shield Initiative, which invests $1.6 million to equip bodegas with 500 panic buttons through a partnership with the United Bodega Association. In addition, SBS continues to promote New York State's $5 million Commercial Security Tax Credit, announced by Governor Hochul in last year's state budget. This incentive supports businesses in offsetting retail theft prevention costs and remains open for applications through the end of the month, October 31, 2025.

While SBS supports the intent of Intro. 110, we recommend allowing additional time to assess the outcomes of the ongoing city and state efforts before establishing a new program. This approach will help ensure coordination, prevent duplication, and build on what is already working to enhance small business safety.

Intro. 1350, sponsored by Majority Leader Farias, would require the Department of Small Business Services to provide small business loan-readiness resources. We share the Council Member's commitment to help small businesses prepare and access financing. SBS already delivers this type of support and over the past year has expanded efforts to provide deeper, higher quality technical assistance that improves business chances of securing capital.

To help entrepreneurs take the first step in their loan journey, SBS offers one on one appointments with trained staff that review financial products, clarify eligibility rules, and guides applicants through the required documentation. These services are already producing strong results, business owners who connect with an advisor from SBS through our Funds Finder platform are 14 times more likely to succeed in accessing funding.

To build on this success, SBS launched a pilot My Business Finance Coach program this year, which connects businesses to Licensed, Certified Public Accountants provide hands on assistance preparing financial statements and loan applications. This pilot helps businesses strengthen their financials, more accurately quantify their performance, and present more competitive applications to lenders.

SBS remains deeply committed to equipping New York City's small businesses with the knowledge, tools, and resources they need to compete, grow, and adapt in an ever-evolving economy. We are so grateful for the Council's partnership in advancing policies that foster entrepreneurship, resilience, and economic opportunity in every neighborhood. Together, we can ensure small businesses continue to power New York City's economy for decades to come. Thank you again for the opportunity to testify today. I look forward to your questions.

CHAIRPERSON FELIZ: Thank you. Thank you again for joining us and also for your testimony and thank you and everyone from your team for all the work that all of you do to support our small businesses across our city.

So, I have two lines of questions for today. One related to cyber security and then the second, about general business security. So, I'll start with the cyber security issue. Talk to us about the issue. Is cyber security issue a problem and if yes, any specific issues that stand out on the topic of cyber security and small businesses?

HARIS KHAN: Thank you Chair Feliz. We know that small businesses have so much on their plate as busy mom and pop operators of the businesses that they work in and we know that when they are managing their businesses, often times the unexpected disasters, the things that you never could imagine that could happen and effect your business are things you least think about. You're thinking about meeting payroll. You're thinking about sales. You're thinking about marketing for your business and you don't think of the worst case scenario that could affect your business and that's precisely why we've made sure that we create accessible entry pathways for small business owners to understand there are things that they could do today to make their businesses more protected against cyber security attacks and they don't need to be a fortune 500 company with a whole cyber security team. They don't need to have consultants and buy expensive software. They could depending on their business; they may need to do that but everybody could benefit from some actionable next steps that could protect them today and that's what we offer on our My City Business Portal. That's part of the curriculum that we offer to our webinars and it's also part of the resources we provide at our in large in person public events. We want to make sure business owners that don't want to think about the worst case scenario, start thinking a little bit about the possibility of some of these worst case scenarios and do the things that could put the best foot forward for them in case they are faced with that situation.

CHAIRPERSON FELIZ: Yeah, any recent cyber security attacks that we've seen lately or recently that stand out?

HARIS KHAN: No, not – we haven't heard of anything recent that's been particularly drastic or problematic. I will also take this moment to point out, a lot of small businesses when something like that happens, they also approach – they generally approach the law enforcement agencies and we would recommend them to approach the law enforcement agencies if they're victims of an attack. And so, we're not necessarily noticing or hearing of large scale drastic changes with a trend but we do know for sure businesses do not think enough about cyber security and that's why we've committed and we've been delivering over 50 educational webinars and courses over the past four years. We've reached 1,000 New Yorkers through that. We've also made sure that our large events, the Expo, where you're not coming there for cyber security, you're coming there for all the other resources but if you're going we're going to get a crowd of 3,000 New Yorkers, best believe we're going to make sure they've also learned about cyber security and the things that they can do to protect themselves.

CHAIRPERSON FELIZ: Talk to us about SBS initiatives on the issue of cyber security. Are there any – I know you mentioned My City Business Portal. Uhm, can you talk to us about these programs, grants and other resources available on this issue?

HARIS KHAN: Yes, surely Council Member. So, we are – our Business Preparedness and Resiliency Program is designed to protect and educate businesses on all the types of major risks that they face. So, we cover potential risks from natural disasters but we also made sure to include cyber security. We know this is a serious issue that businesses are not prepared for. So, our curriculum is designed to cover cyber security. We also have a really useful digital self-assessment tool where if you're a New York business owner, you can go to our website nyc.gov/businessprep and you can put in information about your particular small business and when you do so, you'll get tailored recommendations on what your business needs to protect itself from some of these risks that it could be faced with. So, we've got this curated personalized self-assessment tool. We've got general curriculum that's accessible. It's not intended to be jargony and into the weeds. It's intended to be the first exposure that a business owner can get to get the basics right for them for their business. Uhm, and then in addition to the resources on business preparedness, the self-assessment tool, we also link to the global cyber alliance, which is a not-for-profit organization supported by the Manhattan DA's office and it provide additional resources all free of cost to help businesses be more resilient in the face of cyber security incidents.

CHAIRPERSON FELIZ: Yeah and talk to us about the specific resources and assistance that small business owners are able to get under some of these programs.

HARIS KHAN: Sure, so through our Business Preparedness and Resiliency program. They're able to – the digital assessment tool – I would highly recommend for any business owner that considering is interested but does not want to commit to a webinar or does not want to commit to a course that we offer on it but just wants to get themselves exposed to the field. They can go to our website nyc.gov/businessprep. They can open up the self-assessment tool, answer some questions about the details of their business, and get actionable recommendations on things they could do today to better improve the resiliency and preparedness of their business. So, that's an actionable thing they could do right away today. There's a whole series of webinars that we run throughout the year. The most latest one is at the end of this month on business preparedness, which include cyber security and that's uh live instruction course that you can sign onto virtually and learn from an instructor on the things you should be mindful of when you think about business preparedness.

And so, those are two examples of things New Yorkers can do today. That's separate and apart from the large events that we do where we built in and integrated cyber security. It's also separate and apart from one off events we've done. On May 28th, right before expo, so we had a 3,000 person event on May 29th but the day before, our team was also organizing something that – an event focused on digital literacy, cyber security, and AI that had over 100 registrants, if I'm not mistaking and that is something that we're going to build on at the end of this year by another in person event.

So, separate from the ongoing work, we're also trying to add content that's responsive to the moment that we're in and that include digital literacy in AI.

CHAIRPERSON FELIZ: Good. Has SBS conducted any surveys to determine whether small business are concerned or prepared for cyber security incidents and problems?

HARIS KHAN: Yeah, so when it comes to the concerns that we often hear from small businesses, it really goes right to Majority Leader Farias's point that capital access continues to be something that holds back a lot of small business owners from the growth potential that they have in New York City but also nationally. On surveys related to cyber security, we know that the Attorney General's Office in 2022 produced a report that indicated that half of all confirmed data breaches targeted small businesses. And we know that the majority of those businesses once targeted by a data breach, ended up shutting down. So, we know it's a very serious problem. No one in the business community wants to think about it until it happens to them and that's why we're trying to be proactive, get this content out, get it in front of their faces, even if they're not interested in the topic and make sure there's a constant stream of educational webinars that once a person is interested in taking the next step and learning more, they can get the resources they need to protect themselves.

CHAIRPERSON FELIZ: So, we have a few different offices city and state offices that work on the issue of cyber security and coding of the Office of Technology and Innovation. What does collaboration look like specifically with this office OTI, the Office of Technology and Innovation as it relates to cyber security for small businesses?

HARIS KHAN: We work very closely with our colleagues in the New York City Office of Technology and Innovation. In fact, the curriculum that we have on cyber security, former CTO's Office and cyber command team were instrumental in giving us feedback and vetting a lot of the materials that we do share and promote for business preparedness related to cyber security. So, that's the level of coordination on this topic but Council Member, we have had plenty of conversations about the needs of small business separate from cyber security. You've taken a really serious focus into storefront vacancy and activation of storefronts and that another area of collaboration with the Office of Technology and Innovation, where the city's database on small business storefronts is a contract managed by OTI through a partner and that's something that we're working closely with OTI on. And so, there's so many lines of communication across our agency, across program teams, across divisions, including from our leadership all the way to staff teams.

CHAIRPERSON FELIZ: What about state offices? What does the collaboration look like with the different state offices that deal with the issue of cyber security?

HARIS KHAN: Yeah, we know that the Department of Financial Services in the state is involved in this field as well and we've made sure that our curriculum when we cover it in the educational webinars, references state laws related to cyber security. So, there's good coordination, communication, with our state DFS partners as well and we're always working – looking to do more with our colleagues.

CHAIRPERSON FELIZ: Okay. So, I have many more questions but I'll pause now. I'll turn it over to our Majority Leader Amanda Farias for some questions.

MAJORITY LEADER FARIAS: Thank you Chair. I just, just on the testimony that you provided, both on Chair Feliz's bill on Intro. 180. You stated that in the Silent Shield initiative, you folks have worked to equip with as of 500 panic buttons as an example, of the 1.6 investment that was made. How did you folks come to the number of 500? I'm sure we have several more businesses throughout New York City particularly where there are hotspots, where we know either burglaries or you know these types of things are happening more frequently.

I imagine the island of Manhattan has a lot of those issues along with the outer borough. So, why 500? Why only the 1.6? What was the success rate of that and are we looking on expansion or was that it?

HARIS KHAN: Thank you Majority Leader. The program we referenced in our testimony is a program that First Deputy Mayor Randy Mastro announced with the Economic Development Corporation President Kimball in partnership with the United Bodega Association. So, it's a program that's managed by EDC and is really being delivered by the United Bodega Association and my understanding is it builds on UBA'S existing work in putting panic lens in certain bodega's and realizing that the integration between those panic buttons and the NYPD was not as seamless as it was intended to be. And so, the 1.6 was – when it was announced in the summer, it was intended to improve the integration with the PD. It's a program managed by EDC and we would defer to EDC on the status. I'm sure it's early days in the procurement of that program but it is one example of an initiative that the city has taken to address retail theft.

MAJORITY LEADER FARIAS: Okay, Chair Feliz and I can do that since I Chair the Committee on Economic Development. We'll follow up with them together. And then just some questions on my bill, Intro. 1350 and I really appreciate that you folks have in some level of capacity, some offerings and resources for small businesses. I do feel - well, I guess my first question, is this policy or mandated, the pilot program?

HARIS KHAN: Uh, this is not a policy that's mandated. The pilot program is something - we know that this is one of the issues that's top of mind for so many of our small businesses and we know that the level of service we're providing has already led to 14 times more success in business owners getting the loans that they need, but we felt and know that we could go deeper. We could provide a deeper level of intervention. So, this year we have the capacity and the ability to deliver this pilot. We're looking forward to seeing the outcomes of it. It's promising right now.

MAJORITY LEADER FARIAS: Okay.

HARIS KHAN: And at the end of the year, we'll be able to understand whether it's worth expanding, keeping.

MAJORITY LEADER FARIAS: So, it's a year long pilot?

HARIS KHAN: It's a year long pilot.

MAJORITY LEADER FARIAS: And is that from top of the – like from January to December or was it a month to month?

HARIS KHAN: It's the end of the Fiscal – the upcoming fiscal year.

MAJORITY LEADER FARIAS: The fiscal year, okay.

HARIS KHAN: So, by December of 2026, we should have a sense of how many businesses benefitted from it. Whether it led to a significant difference. We already are hearing though that it is leading to a better competitive applications because you can imagine, it's hard to have a CPA on hand, helping you improve your financial documents that the underwriting teams are looking at very carefully. So, it's already a really exciting pilot and we're looking forward to seeing what comes out of it at the end of this calendar year.

MAJORITY LEADER FARIAS: Yeah and so, with the pilot, this is a one to one correct? This is like appointment only one to one.

HARIS KHAN: Yes. It's one on one appointments with a trained license professional CPA.

MAJORITY LEADER FARIAS: How many appointments are we doing a day versus a week, versus a month?

HARIS KHAN: So, I don't have the exact on the daily average but I know that as of right now, we've already served roughly 300 business owners through the course of this pilot and we know that the – these are pretty intensive one on one consultations and we are offering up to five hours of them with these professionals. So, it's not a one meeting and if you need more help, sorry. It's a continuous relationship for the five hours that you need, which hopefully is leading to a lot more benefit in the results we're getting from lenders.

MAJORITY LEADER FARIAS: So, we can say from July 1st to this point, we have roughly 300, right?

HARIS KHAN: I believe we started the pilot uhm earlier before the start of this fiscal year.

MAJORITY LEADER FARIAS: Okay.

HARIS KHAN: And we started in the middle of the last fiscal year. We can get back to you on like the specific time window.

MAJORITY LEADER FARIAS: Yeah, I love timeline and window and all of that.

HARIS KHAN: But it’s integrated into our funds finder, which Majority Leader is our city’s first online capital marketplace for small businesses. So, you go to Funds Finder, NYC Funds Finder and back in the day – and by back in the day, I mean seven or eight months ago, you used to go to Funds Finder and you could see all the available lending options available to small businesses. You could make a one on one appointment with one of our funding advisors.

What’s different now and when you go to the website today, is now you also have the option of making that My Finance Business Coach appointments on Funds Finder.

So, everything is integrated into the same platform and it’s really exciting. It’s really exciting times for us.

MAJORITY LEADER FARIAS: That’s great. The only last follow up I have. So, I appreciate hearing about the Funds Finder Platform, the integration streamlining of it. Uhm, you referenced strong results and that the platform has 14 times more likely access to finding funding successfully. What numbers are these for strong results? Like, what do you mean? What was the beginning number? How is it 14 times more likely to get results? Lik, what data are we using for that?

HARIS KHAN: So, the 14 times we're talking about, the businesses that work with us through the Funds Finder and through our seven business solutions centers, which are physical locations across the five boroughs.

MAJORITY LEADER FARIAS: Okay.

HARIS KHAN: We know that when you work – when a business owner works with those teams, our seven business solution centers or funding advisors, before the pilot program. When you work with our teams, you're 14 times more likely to get loans because we're helping you understand which loan product might make the most sense for you. We're helping you understand the interest rates that are available. We're helping you understand the kinds of documents you need to prepare your package. That itself is leading to 14 times –

MAJORITY LEADER FARIAS: How long have we had Funds Finder program?

HARIS KHAN: We launched the program end of September of 2023 and since then, we've had over 6,000 businesses create accounts on our website and over 1,200 have scheduled one on one appointments.

MAJORITY LEADER FARIAS: Okay this is a good data set. Alright, thank you so much.

HARIS KHAN: Thank you.

MAJORITY LEADER FARIAS: Thank you Chair.

CHAIRPERSON FELIZ: Thank you. Alright, thank you for the questions and for all the information on that topic. Uhm –

HARIS KHAN: Chair, can I just make one small correction?

CHAIRPERSON FELIZ: Yeah, absolutely.

HARIS KHAN: On the pilot program, the program started in April of 2025 and should end by December of 2025. So, it's not a full calendar year but it will start in April. It started in April of this year and it will end in December of this year.

MAJORITY LEADER FARIAS: Okay so we can continue to talk about my bill while we look at data in December.

HARIS KHAN: Yes, exactly.

MAJORITY LEADER FARIAS: Okay, sounds great.

HARIS KHAN: Yes.

CHAIRPERSON FELIZ: Alright, thank you. The pandemic forced many small businesses to move online and the online landscape remains active for small businesses. How has SBS worked with these new online businesses to help them survive in the world of online marketing etc.?

HARIS KHAN: Thank you Chair Feliz. This is a topic that has as you had mentioned, the rise of ecommerce has been unprecedented and really kick started, jump started, boasted by the COVID-19 pandemic. And so, in the pandemic when we started seeing this crazy trend right of ecommerce being the – one of the few ways businesses could survive, we worked with Deloyd to publish the new normal business adaptation playbook, which had guidance for business owners on how to adapt their business practices so they could survive in the new normal economy where a lot of things digitally. We then had a series of webinars focused on that playbook but separate from that playbook, which was a kind of snapshot moment in time to respond to the emergency that we were all facing. We've since integrated and built up our resources and curriculum related to digitization. So, we've got webinars regularly offered through our business solution centers that covers digital marketing. We cover things like search engine optimization, which helps businesses stay relevant when you're making a Google search and we've also had a partnership with Coursera where we're offering of course on how to start an online business and learn all the things that you need to make that successful.

So, things like integration with different points of sale system and marketing, you name it. So, we've got deep curriculum now focused on online businesses. We've got an ongoing stream of courses that respond to various topics related to online businesses and we also have that adaptation playbook that we released in the pandemic to make sure businesses that maybe we're not thinking about adaptation and digitization start thinking about it because it is taking over the world and definitely has impact on a small business that chooses not to participate in the digital economy.

CHAIRPERSON FELIZ: Yup, and what are languages that these resources are available in?

HARIS KHAN: Our courses are available in multiple languages. It really depends on the course and the curriculum and the providers that we're working with. So, it would be hard to say on average which courses are provided as an aggregate. It's hard to say which courses are provided in which language but we've offered our business education courses in Spanish, in Mandarin, uhm in other languages as well whenever need be.

CHAIRPERSON FELIZ: Good, so on SBS's You Tube page, there's a webinar specifically geared towards cyber security needs of MWBE's. In the caption of the video notes that MWBE's are typically the most common targets of scammers and digital thieves.

Has SBS continued creating webinars like this for cyber security and if yes, how popular have they been? How many outreach like, viewership like for these webinars?

HARIS KHAN: Yeah, so we have done over 50 webinars focused on business preparedness including cyber security and 11 of them specifically focused on cyber security period. And across all of these webinars and courses that we've put together, and some of the in person events, we've reached over

1,000 New Yorkers. So, it's a pretty healthy set of business owners that are visiting us that are meeting us in these courses. They're getting educated on cyber security risks and also learning actionable and practical next steps for their businesses to be more protected against unexpected events like a cyber-attack.

CHAIRPERSON FELIZ: What types of businesses would you say are most vulnerable for a cyber security attacks and also why? Why do we think these are vulnerable compared to other businesses?

HARIS KHAN: It really depends Council Member because each business is going to have a very different level of digital services that it's leveraging. Each business – some businesses may have a digital point of sale. Some businesses may not. Some businesses might be storing a lot of customer data. Some business may not. Some business model might require them to have data about their products and services that are proprietary. So, it really varies so much on the type of business, the industry that they're in, so that's why we encourage business owners to go to our website and visit our self-assessment tool, enter information about their business and get some actionable next steps that they can take on themselves to better prepare themselves from an attack.

CHAIRPERSON FELIZ: Does SBS generally recommend cyber insurance for small businesses and also do you have any data on how many businesses have or don't have cyber insurance?

HARIS KHAN: Yeah, I think cyber insurance related to the last question, it's hard to recommend specific products or services that a business owner may want to purchase to protect their businesses. There's a robust market out there but there's a lot of competition in this industry but what we know is businesses today can take some steps right now that don't require a product or service, that just require some effort and some time to make sure their businesses are protected. So, that's what we offer through our business preparedness curriculum and our webinars and we know that like when it comes to cyber security, there is no one size fits all and it really varies depending on the business and the type of data that they're storing and the type of work that they're doing.

CHAIRPERSON FELIZ: Does SBS engage in the targeted outreach specific to cyber security?

HARIS KHAN: So, we engage in – we definitely do promote cyber security and our business preparedness resources as a standalone. So, we'll go into some neighborhoods, we'll door knock and we'll meet small business owners and we'll tell them, we've got this business preparedness toolkit. We've got this digital assessment tool that you could take today and we've got webinars and materials that could benefit you in preparing your business against the unexpected.

So, we've definitely done campaigns where we send our outreach team and partners out into local neighborhoods, try to get them aware about the resources that we have.

CHAIRPERSON FELIZ: Okay, so earlier you mentioned different resources available to small businesses on the issue of cyber security including My City Portal. Can you share how often businesses utilize these resources and also, does SBS keep track of these types of metrics?

HARIS KHAN: Yes, 100 percent. We're really proud to share that over 21,000 New Yorkers have visited our business preparedness and resiliency program curriculum and website on our portal, which includes the cyber security curriculum. So, that's uh – on top of our 1,000 New Yorkers reach to the actual live instruction and live curriculum and on top of the 3,000 plus events that we organize, the 2024 Expo and the 2025 expo where we featured cyber security.

CHAIRPERSON FELIZ: Okay, so as we know SBS has many different partners that assist SBS and also small businesses on different issues, including a good example is the legal, the Commercial Lease Assistance program, which when we work with different nonprofits and different partners to help small businesses navigate different legal issues. So, does SBS have a partner on this specific issue, on the issue of cyber security that you work with to help small businesses navigate different cyber security issues?

HARIS KHAN: Yeah, so we're very fortunate to work with our colleagues in the Office of Technology and Innovation and Cyber Command on the city side and we also make referrals to the Global Cyber Alliance. Council Member, this is a not for profit that was set up with support from the Manhattan DA’s Office. And so, and it’s a resource that even the States Department of Financial Services is sending referrals to, so it’s another example of city and state coordination where we’re not sending New Yorkers and small business owners to completely different resources, we’re sending them to the Global Cyber Alliance for a lot of their toolkits and guidance for small businesses.

CHAIRPERSON FELIZ: Okay, talk to us about the Business Express Service team. What is that group or team and also the representatives from that team, are they able to provide cyber security related assistance and resources?

HARIS KHAN: Yeah, yeah, sure. Our NYC Business Express Service Team or NYC BEST team is really the best in customer service. They’re incredible. They’ve helped save over $50 million for small businesses in fines and fees over the past four years, and they’ve done this work helping serve over 7,000 businesses. That team is really trained and the city’s regulation, permitting and licensing requirements for small businesses.

That’s what their expertise is. A lot of them are former city inspectors themselves. So, they worked in the fire department or health department or DCWP and now they work for SBS doing these free compliance consultations, where they’re going into local communities, they’re meeting business owners where they’re at. They’re doing a tour of the small business and they’re giving the business owner insights into what an inspector could fine them for if an inspector from a regulatory agency was present. So, they’re going in there. They’re doing this free consultation, giving advice to business owners, helping avoid millions of dollars and fines and fees for businesses.

In addition to that, when somebody, a New Yorker that’s interested in opening up a store in New York City reaches out to them, they will help cut through the red tape for them. They will help explain to them if you want to open up a café and you want to open up a café that does x, y, and z. Here are all the permits and licenses you need and helps workshop with them and navigate government with them to get them opened up in New York City as fast as possible.

So, that's the focus of the team. They're not really experts in all the other areas of small business. That could come up including cyber security but that's where we have our business preparedness curriculum, our assessment tool. The live webinars that we organize and in person events where we bring industry experts to the same room as small businesses so they can implement actionable changes and protect their businesses against incidents of cyber security.

CHAIRPERSON FELIZ: Okay, how much funding goes towards this team and also how many employees they have? Are there any in person locations? If yes, where?

HARIS KHAN: Yeah, so our team really this is a team that's on the field every single day meeting New Yorkers where they're at. That's what they're doing. They're in the Bronx. They're in Staten Island. They're in Manhattan. They're in Queens. They're in Brooklyn. They're meeting businesses, doing these consultations, and so we don't wait for businesses to come to us to get the help that they need when it comes to navigating government and helping them open up. We're going to them. So, when a business owner lets us know they would like our service, we're driving to them. We're taking the train to them and getting them connected to the resources that we have. This team is roughly at a budget of $1.2 million, which makes up roughly 15 staff lines that do this work and that has helped save the city over $50 million over the past four years.

CHAIRPERSON FELIZ: Does SBS ever direct businesses to small business development centers and if yes, under what scenarios?

HARIS KHAN: We've got a great working relationship with our state small business development centers. We work with them to provide resources and referrals to small businesses. For matters – a good example of this Council Member is for matters that relate to city permitting and licensing; we were just talking about NYC BEST. There are times when they would make referrals to us because they know we've got our NYC BEST team and we've got expertise in this field. Similarly, when there are items and services that we know they provide that are complementary to our services, then we would make referrals to their offices and to their centers. An example of that can be the work that the

SBDC's do with International Export. Some of the SBDC centers have information and resources on how small businesses and other businesses in New York City can market their products and services to a global audience to the foreign markets and attend trade shows and things of that nature that we don't necessarily have in-house expertise in but we've got this great working relationship and we're able to make these referrals.

CHAIRPERSON FELIZ: Okay, so as we know more shops are moving to cashless or card preferred transactions. What resources are available to businesses related to protecting consumers paying methods and private information?

HARIS KHAN: Thank you Council Member. We I think encourage businesses similar to the question on cyber insurance and similar to honestly any question related to a product or service that there's a market for, we'd encourage New Yorkers and business owners to think carefully and weigh all of their options available in the open market but we're not a city government agency. We can't really recommend the product or the service that would make the most sense for them. It really varies, similar to insurance where you might have particular needs for your point of sale system to integrate with the CRM or with the supplier system that you're working with or you might just need a very simple point of sale system that just gets the job done in terms of collecting the payment for the service or product you're providing. So, it depends. We think it really is something a business owner has to evaluate depending on the business industry they're in, the work they're doing and the needs that they have.

CHAIRPERSON FELIZ: Okay good. So, let's pause on the cyber security issue for now. Let's briefly touch on the topic related to general small business security and specifically my bill Introduction 180, which would require that the city establish a program wherein we're able to provide financial assistance to small businesses to help them cover security related costs. For example, alarms, Plexiglass for bodegas, security cameras, and a lot more. And specifically, an initiative to help deter unlawful conduct. I mean today this is more important than ever. I remember last year just seeing a video of a burglary wherein a bodega owner lost over $100,000 in a burglary. Just imagine how many days and months those small business owners needed to work to earn that and then losing all those funds from one second to the next.

You know it's really important that we improve the safety for these small businesses, especially bodega's who work day and night to support not only their family but also their communities.

So, uhm a few questions about Introduction 180 and you've somewhat touched it earlier but I'll just ask it again for general context for the future questions. So, talk to us about the Silent Shield Initiative. What is it? Does SBS know how many bodegas were covered under the initiative? And the panic buttons that the city was able to help install?

HARIS KHAN: Thank you Council Member. I think the – in the summer, the Administration announced that $1.6 million would be invested in this initiative to support bodegas with installing panic buttons but also having those panic buttons be integrated and be connected to the NYPD. And that's something that EDC is managing in partnership with the United Bodega Association and so, we defer to them on the status of that program and the plans moving forward.

CHAIRPERSON FELIZ: Okay, so we're going to briefly pause the hearing. We're having some technology issues, speaking about cyber security but obviously not due to cyber security issues. But we're going to pause for a few minutes, hopefully we can get the Zoom back up soon. So, we'll pause for that.

HARIS KHAN: I hope it's not a cyber security attack.

CHAIRPERSON FELIZ: I doubt it. We've been having technology issues all morning. 00:47:53-00:50:17.

SERGEANT AT ARMS: Mic check for the Zoom. Mic check for the Zoom.

UNIDENTIFIED: Hi, good afternoon. Can you guys hear me?

SERGEANT AT ARMS: Yup we're picking you guys back up. Thank you.

CHAIRPERSON FELIZ: Alright, thank you. I think we're good with Zoom and I'll briefly – I know we have a Spanish panel here, so I'll briefly say it in Spanish as well to make sure that we could all understand the topic.

SPEAKING IN SPANISH [00:50:44-00:51:30].

Alright, so uhm going back to the Silent Shield initiative, so talk to us again about what exactly is it? So, it has to do with panic buttons but is the city purchasing the panic buttons or are they simply allowing small businesses to connect their cameras to the local Police Department?

HARIS KHAN: Thank you Chair Feliz. I'd recommend - in addition we'll share the information we have but I'd recommend also coordinating and connecting with the Economic Development Corporation and United Bodega Association Franciso Marte. This is a program that as we understand it would help install the panic buttons and also connect them to the New York City Police Department, so that response times are faster in Bodega's and it builds on some of the work of the UBA, where they had initially done a round of panic button installations but it wasn't necessarily integrated with the PD. And so, that's the stated goal of the program and we know that this was just announced in the summer, so it might – it's still early stages in terms of the procurement and installation and EDC and the UBA might have more information on the current status.

CHAIRPERSON FELIZ: Okay, so the program would help them install the panic buttons and also connect them to the local precinct. What about the purchasing of the panic buttons? Is that also part of the program or just installing panic buttons?

HARIS KHAN: That's our sense. Our sense is its installation and integration of the panic buttons at the bodegas.

CHAIRPERSON FELIZ: Got it, so not the purchasing of the panic buttons?

HARIS KHAN: Yeah, I think it would include the purchase, installation and –

CHAIRPERSON FELIZ: Okay cool, I just wanted to –

HARIS KHAN: Our sense, but it's really something that's being managed outside of SBS, so we recommend coordinating and speaking with our colleagues at EDC and the leadership team at the United Bodega Association. That actually involves with the implementation of this program.

CHAIRPERSON FELIZ: Okay and I know different agencies, many different agencies are involved including the NYPD and EDC and others but based on your conversations with small businesses, what has been the response to this program?

HARIS KHAN: So, we know and uhm Council Member Francisco Marte from the United Bodega Association, also serves on SBS's and the city's Latino American Small Business Taskforce. And so, in conversations with him through our taskforce where we're collecting feedback from the Latino community on the business services and programs they need, plus their feedback on the citywide resources we provide and have to make it more curated and accessible to the community. In those conversations, he's shared some promising results from the start of this program but it's something that the United Bodega Association and EDC would have more information on.

CHAIRPERSON FELIZ: Okay, so as we know security is the general security, not cyber security but general business security is a big issue. I represent District 15, which has some of the busiest corridors, commercial corridors in the entire Bronx between Fordham Road and every time I speak to these small businesses, the very first issue that I mentioned, is security.

Some of them saying that there's so much retail theft to the point where they cannot stay afloat. There's no point on purchasing products if they're going to be gone the next day. There's going to be the following day, there's going to be no products to sell and there's no way any small business can survive that way. There's no way that they'll be able to get customers if they have no products to sell. There's no way they could pay the rent if there's no sales being conducted. So, let's talk about that issue. So, what has SBS heard from - from small businesses about security concerns and also what have we heard from small businesses in terms of the specific assistance that they're seeking on this issue?

HARIS KHAN: I think Council Member uh, what we're seeing is amidst the pandemic and in the first several years since the pandemic, 2022, 2023, we've seen a huge increase in incidents of retail theft and we know that so many in the business community were challenged by this issue. It was frustrating for business owners that put their heart and soul and all the money that they have into these enterprises and are trying to make it work in New York City and to then deal with this set back of retail theft and the impact it could have on the business operations.

It's devastating for a small business owner and that’s why our department, from the earliest days of this Administration focused in on this issue, elevated this issue and tried to understand this better by working with City Hall but also with the local district attorneys who are prosecuting cases of retail theft and in doing so, we have now seen several initiatives that the city and the state government has been involved in when it comes to retail theft and we’re noticing double digit decreases over the past year in retail theft and shoplifting.

So, we’re seeing promising signs. We’re seeing that things are going in the right direction and we know that there’s resources out there today that weren’t out there in 2022 such as the Business Camera Integration program, where a small business owner that has a security camera system can today choose to voluntarily share real time access with the NYPD. Increasing the PD’s availability – PD’S ability to investigate and close out cases when it comes to retail theft.

So, things are looking – uh moving in the right direction and there’s resources out there today that didn’t exist in 2022 to support small businesses.

And I’ll end by adding the New York States Commercial Security Tax Credit is such an example. It’s uh ability for a business owner depending on how many employees they have, they can get up to $4,000 or $6,000 in tax credit to purchase plexiglass or a security camera. Very similar to the kinds of equipment and purchases Chair for this year outlining and this is something that was secured in the last budget, in FY25 and has continued at the state level and applications are open today for any business owner in New York City that wants to apply for that tax credit. Applications will end on October 31st of this month.

CHAIRPERSON FELIZ: Okay, so we have the Silent Shield initiative. What other city initiatives and resources are available to small businesses on the issue of retail theft and general security?

HARIS KHAN: Yeah, I think we’re very excited to see that the Business Camera Integration Program expanded last year and so, it was a pilot program. I wish Council Member Ung was here because she would have loved to hear that. This started in her district in Flushing with the Flushing Business Improvement District, where the NYPD had enrolled almost 35 businesses in the district to have their cameras integrated and allow NYPD to access them in the case of a crime. And so, that program has been since then, last year was expanded citywide. So, now businesses throughout New York City can get their cameras integrated and it directly connects to the issue of retail theft and solves – it helps solve cases of retail theft, which can help reduce the incentives for somebody to keep committing them because now the PD is resourced and has the investigative – has the footage to help close out cases faster.

And we know this was an issue that we were hearing in the early days of the pandemic and we had worked with local district attorneys offices who have their own camera registration programs and so, we're glad that now there's a citywide approach. It's not just you work in Queens and there's a Queens program. You go the Bronx and the Bronx DA. Clark has a Bronx Cams program. Now there's a citywide NYPD program that everybody can participate into. So, it's great to see more and more law enforcement agencies coordinating together on this issue of retail theft.

CHAIRPERSON FELIZ: Okay, is there any SBS funding available to help small businesses with security updates technology?

HARIS KHAN: So, when businesses apply for our Business Preparedness and Resiliency Grant, which is limited to businesses in the flood zone. When they're eligible for that grant program, they can use the funding that's made available up to $5,000 to do security camera related purchase. Because we know that also helps prepare a business and makes them more resilient. So, they're able to buy a security camera. They're able to buy other material that could help with security for that business, since it kind of falls into the vein of Business Preparedness and Resiliency. And so, there is that grant program that's out there. And then we also highly encourage and recommend businesses and take advantage of the tax credit. The state has offered this $5,000 – sorry, the $4,000 to $6,000 tax credit depending on how big your business is. So, that should be something that businesses consider right of way if they're thinking of making purchases this fiscal year for plexiglass for security cameras. They should also consider applying to the state tax credit.

CHAIRPERSON FELIZ: Have we seen small businesses take advantage of the readiness program and use it specifically to purchase security related technology?

HARIS KHAN: Yes, I can think of already several businesses that use the Business Preparedness and Resiliency Grant program and use the funding they secured from that grant program to purchase security cameras and other related equipment. And Council Member, this grant program is unique in that it’s not just you apply and you get the grant. You apply and then we do an onsite free risk assessment. So, we’re sending a professional to go to your business, examine the business and come up with curated recommendations for that business. So, it’s not you know a reimbursable grant, do whatever you want to do with the funding. It’s let’s come in there, let’s look at the case of your business and let’s try to identify specifically what we think would be the best investment for your business to be more secure and then in the case of that, if they choose to identify cyber security cameras, that’s what the funding could be used for from the grant.

CHAIRPERSON FELIZ: Okay, uhm same question that I always ask about every other topic. What’s the application process like? How long could it take from the time you apply to the point where you receive the funding and the –

HARIS KHAN: It’s a city, it’s a city grant program so there’s paperwork that folks need to fill out to make sure they’re eligible and it gets reviewed by our in house team that oversees resiliency programming. And so, that’s generally the intent of the scope of what’s required from the business owner. It’s not like a city procurement, it's just a grant program you have to be eligible for and apply for and if you are eligible for, you’re in the flood zone, would be happy to connect you immediately to the resource, which includes the risk assessment on the front end and then the grant after then risk assessment.

CHAIRPERSON FELIZ: How long ago would you say it takes for you to from the point you apply to the point you receive the funding? Are we talking about a three month process, six month process if everything goes well?

HARIS KHAN: My sense is definitely under six months. We can get back you if there's like cases where that's not the case. Definitely not like a year long city process. That's absolutely not the case and we have – we are able to serve more businesses. We've got funding for this grant today. So, if there are businesses in your district, please do send them our way and we'll get them connected and we'll try to do it as expeditiously as possible. One thing I will acknowledge Council Member, it's hard for uhm, usually what happens when there's delays in processing time, is usually not the fault of the processing agency. A lot of times when we've asked for required documentation, we get half of the documentation and we understand it. You know we're talking about mom and pop business owners that are doing so much and they're helping, you know they're managing their household. They have kids most likely and they're also running a small business which has its own challenges and headaches. So, it's hard for them to right like prioritize all of the documentation that's required, but for this particular grant program, the average is 30 to 45 days, but that's an average. It depends on if somebody submitted all the documents and if they've been responsive to the period. You can also imagine there are times when we're helping a small business owner where they want something, they're interested in it. They start communicating with us and then for some reason, there's no more communication. We're trying to get a hold of them and they're not responsive anymore. So, you know things change in peoples circumstances but roughly it takes a month, a month and a half the time period between which we evaluate the application and business owners get the grant that they would like for their resiliency.

CHAIRPERSON FELIZ: So, if Intro. 180 passes, what are security upgrades that you think could be funded, based on what we've heard from small businesses and also based on the realities that we've seen in our communities? So, I'm sure plexiglass, alarms, uh panic buttons, anything else besides that?

HARIS KHAN: Security cameras would be another equipment that is – could be considered expensive for small business owners and depending on what you choose and how big your business property is, that you're renting out, leasing out or owning, it could depend very much how much that costs through the system in which you bought that security equipment. Are you buying real time monitoring services that are provided by some third party or are your just providing the hard equipment and then you will have teams or staff or yourself looking at the CCTV footage. So, it really depends on the business owner, what they would like to protect their business owners. I wanted to share though Chair Feliz, the NYPD has crime prevention officers in local precincts and they can also be helpful in going to small businesses and sharing best practices and things business owners can do to be more protected and they actually might have some advice to for small businesses that are considering investments. And so, it might be a useful resource for folks to consider.

CHAIRPERSON FELIZ: Okay, so obviously only you know this, how much could it cost a small business to be able to obtain and install the same security system and I know it ranges on the amount of cameras, the size of the –

HARIS KHAN: It ranges tremendously. Some of the rough research we've done – our sense is that $5,000 gets you a minimal level of security equipment that could get you started uhm and should be sufficient for most small businesses that are you know retail storefronts, not entire blocks worth of warehouse and just like a store that's selling merchandize or services. That's what we think uhm suffices, since some of the preliminary research we've done but it really like most things, it really depends on so many factors, what type of service, what type of product. Are there further protections inside your store front? Think about a cannabis dispensary that's licensed. There's all these ways in which the equipment is protected separate and apart from the front of the house.

So, it really depends on what you're selling, how you're selling it and the cost you're willing to sustain for cyber security for security cameras.

CHAIRPERSON FELIZ: So, earlier you mentioned different program including the resiliency program that could be used to fund things like the things that we're talking about, security updates. How much funding has been allocated towards that program? And if you could just give us a range if you don't have the number in front of you.

HARIS KHAN: We do. I'll try to get you the number as soon as I can get a hold of it. Uhm, but it is $5,000 of business grant funding that is available. We have it available two days, any business owner that's interested in applying should reach out to us. There are eligibility rules related to the geography in which the business is located, so you have to be in the flood zone to be eligible for that program but once you are eligible, you could use it for a variety of business preparedness, equipment and resources that may help you in protecting against such incidents.

CHAIRPERSON FELIZ: And what's the maximum amount that a business could get under that program? Is it $5,000?

HARIS KHAN: It's $5,000 and I should clarify, it's a reimbursable grant, so businesses can charge purchases up to $5,000 related to the needs that have been identified and the free risk assessment that's offered to all of the awarded grant recipients.

CHAIRPERSON FELIZ: Based on your I guess general knowledge, if you don't have the numbers in front of you, that's fine. Approximately what percentage of small businesses have used – have applied specifically for security related technology? I know you said the program is very broad. It's for general readiness and resiliency. Is security update something that we're seeing people or businesses apply for?

HARIS KHAN: My sense is several businesses have received it. It really depends – it relates back to the free assessment. So, it's based on the onsite free assessment that we've provided businesses that are participating in this grant program that the outcomes of how the grant funding would be used are being determined. So, the example would be you operate a bakery shop on East Tremont, so we go in there, you're eligible – you may be eligible I don't think it's – if you're eligible, we'll go in there and give you a free risk assessment and then if in the risk assessment we feel security cameras comes up as a topic of discussion and it feels like it could be helpful then that's what the grant could be used against. And so, it really depends on the businesses. Some of the other eligibility requirements are the business has to be operational for at least a year at the time of the application.

The business should not have annual revenue exceeding $30 million and the business should not have received –

CHAIRPERSON FELIZ: A lot of money.

HARIS KHAN: A lot of money. This should not have received any grant or benefit related to resiliency previous to this grant program. So, if we had a previous grant for resiliency and then somebody is applying again, they wouldn't be eligible.

CHAIRPERSON FELIZ: Okay, and if Intro. 180 is passed and properly funded, what do you think the proper program would look like? What would the system look like? Should SBS manage it? How should or would grants be distributed?

HARIS KHAN: I think Chair Feliz, on Intro. 180 we completely agree with you that the city and the state and all parties and stakeholders that care about small businesses should be looking at the issue of retail theft and making sure we address it because it's problematic, challenging, and it's discouraging to business owners that pour their time, their heart, money and soul everything into the businesses that are so vibrant and become such communal institutions in the commercial corridors in which they're located. So, we fully share the commitment to addressing and combating retail left. We also know that there are existing city and state initiatives that are offered today that didn't exist in 2022. When we first starting hearing about these issues and experiencing them on our commercial corridors and when you first started getting calls from leaders in the community and business owners, it was a very different time then 2025 where now there is the NYPD's business camera integration program. Now there's the state tax credit. Laws have shifted around how prosecutors getting charged retail theft crime. So, so much has shifted and we're seeing double digit decreases in retail theft. That is why our opinion is, we should allow for some more time to examine the outcomes of some of these programs, the NYPD Business Camera Registration program. The uhm, the States Commercial Security Tax Credit program and based on the outcomes of those programs, we could figure out what are scalable models that make sense moving forward and one thing as outlined in the testimony, we think this – by giving folks more time to understand which of these options are working and which are not, it also allows for less duplication.

Chair Feliz, you know 100 percent as a former entrepreneur yourself, it is so hard for business owners, even when there are resources available but if there's six resources available, the confusion of the multiple options can be discouraging to business owners because you're confused. You're like, well, there's a state program and there's a city program and then there's the law enforcement program. So, which one do you go to for the resources you need? And then there's the business preparedness program today that we can offer folks. And so, that's precisely why we think we should allow more time to understand the outcomes of some of these programs and then figure out which one of these could be scalable or amended or tweaked, rather than creating another round of programming that may add to ultimately confusion for a business owner that just needs an accessible pathway to getting the help they need when it comes to retail theft.

CHAIRPERSON FELIZ: Okay, good. Alright so let's give the general security topic a break. Let's go back to cyber security. So, in November of 2023, the New York State Department of Financial Services published a cyber security implementation timeline for small businesses related to amendments of cyber security regulations. Has SBS assisted businesses in meeting these new requirements?

HARIS KHAN: So, thank you Council Member. We make sure that the requirements associated with the Shield Act are infused and integrated into the business preparedness curriculum that we have for cyber security. Those are – that's part of the 50 webinars that we've done over the past four years. And so, we definitely ensure that businesses are aware and that act and the regulations are informed in it but I do want to point out the state has actual right mandates for small businesses when it comes to cyber security. The city does not. The city has resources available for business owners and so, for any New York business owner that's really trying to understand the actual mandate and regulations, that's an area where DFS, the State's Department of Financial Services has jurisdiction over and we would defer to them on compliance. But I also want to share and by saying, both the state and the city, when it comes to the toolkits and the resources we both share for small businesses when it comes to cyber security, we're both pointing to the Global Cyber Alliance, which is a credible industry expert and not for profit, supported by the Manhattan DA's Office, which provides resources to small businesses.

So, we're – both parties are directing people to the same types of resources to help protect New York small business owners from these kinds of cyber-attacks.

CHAIRPERSON FELIZ: Where would businesses be directed to for assistance with meeting these requirements? So, you mentioned the webinars. Any other locations including in person locations?

HARIS KHAN: So, we'd say because it's a state regulation and there's state mandate around the Shield Act, we would encourage New Yorkers to go to the States Department of Financial Services and they have a website on Cyber Security for Small Businesses, which is directly in response to the regulations they implemented on the business community. And so, we direct folks to the state since they have jurisdiction and then mandate here for compliance.

CHAIRPERSON FELIZ: Does SBS provide resources on how to train employees on the issue of cyber security?

HARIS KHAN: So, a lot of – our materials and our curriculum is open to all New Yorkers. Small business owners sometimes themselves attend our curriculum. They also could invite their staff members to attend the curriculum and some of our material is really focused on particular aspects of business operation. So, there's a course on QuickBooks. There's a course on digital marketing, on email marketing and so, you might choose to either send yourself if you're a solopreneur and you're the only employee in the whole business and you're running the whole shop, or if you have 10, 20 employees and you've got some people dedicated to particular parts of your business, then you can send an employee to come to one of our workshops and courses. So, similarly on cyber security, business owners, New Yorkers, entrepreneurs. They can send anybody including their employees to access our material. We certainly don't do a check of are you a business owner before you enter our curriculum? It's open to all New Yorkers. We wouldn't push anybody away and we've never done that for our business education work.

CHAIRPERSON FELIZ: In February of 2020, the CTL testified about the moonshot challenge for cyber security for small businesses. Are the solutions created from this challenge still being offered to small businesses and also, was any feedback shared regarding these solutions?

HARIS KHAN: Thank you Council Member. So, in February of 2020 right before the COVID-19 pandemic, the New York City Cyber Security Moonshot Challenge that the former Chief Technology Officer John Paul Farmer and SBS and other agencies worked on was really designed to identify proposals and recommendations for the city's future when it comes to small business resiliency and cyber security and the main takeaway from that work and the report that they published was that they felt a, small businesses need to be aware about the issue of cyber security. There's a lack of awareness in the small business community. And b, there needs to be additional support for that awareness. And so, we've made sure that the findings of that report and the recommendations are infused in the way in the ethos in which we've conducted cyber security related work and you've seen that over the past four years through our business preparedness curriculum, which includes cyber security. You've seen it in our in person events we've organized for cyber security and also by integrating it into the large scale events that we're doing because we know a business owner does not think about cyber security when they wake up early in the morning. They’re thinking about, let me to the shop. They might actually think about retail theft depending on the neighborhood they’re in. A lot of times they’re thinking about capital access because they need extra cash to grow their business and to get the merchandise that they need. And sometimes, especially these days, they’re thinking about macro-economic pressures and potential disruptions. You do federal tariffs. And so, that’s what’s top of mind on them. They’re not really thinking about cyber security but whether and that’s what was highlighted in the 2020 report but whether they are or they aren’t, we are here to proactively provide these resources because we know – you might not think about it when it doesn’t happen but when it happens, you wish you thought about it. So, that’s why we’ve got these resources on My City business portal and we’ve got a digital self-assessment tool that any New Yorker can log on to the computer today and try to understand ways in which they can protect their business.

CHAIRPERSON FELIZ: Alright, so I have a few more. I guess we'll go back to the super basic questions before basic questions before we conclude. So, what are some of the most common cyber security issues that we've seen or could foresee effecting small businesses and also, if a small business suffered a cyber-attack, where would SBS direct them to?

HARIS KHAN: Yeah, so we would strongly recommend and we'd defer straight to the law enforcement agencies when an actual cyber attack takes place. Our resources are preventative educational resources but whenever an attack takes place, whenever there's ransom where a social engineering attack that leads to some harm and damage and criminal activity, we would encourage New Yorkers to go straight to their law enforcement agencies and by practice, that is what is already happening. We don't really get incoming from business owners saying we've got hit by a cyber security attack. Uhm, honestly New Yorkers aren't thinking about cyber security. Small business owners aren't thinking about it until it happens and that's exactly why we are proactively offering this curriculum to make sure that New Yorkers start thinking about it, start implementing these practices, so that their small businesses are as secure as possible before something unfortunate happens.

CHAIRPERSON FELIZ: Who's responsible for the NYC Secure App and also, does SBS refer this app to small businesses? If yes, when?

HARIS KHAN: So, the NYC Secure App is an app that the Office of Technology and Innovation, Cyber Command Team manages. This is an app that's designed to alert a phone user when they're connected to an unsecure Wi-Fi network or if they have unsafe apps. And so, the biggest, I think the most uh the easiest way to describe this app is Chair Feliz, you're in your district but you've gone to a part of your district that you don't usually go to and you suddenly realize that your colleagues are calling you into a meeting or you needed to speak with your team members and you decide to connect to a public Wi-Fi network that you don't usually use. It's not the Council Wi-Fi. It's not your home office. It's not your home internet connection and so, the New York City Secure App for any New Yorker is helpful in understanding whether your internet connectivity is secure. It really is a resource for all New Yorkers who are just going about their day and about to access internet from a public source. That's separate from the kinds of sways in which small businesses leverage and need cyber security protection. You can imagine, our small business community and our small business owners are not really going around town to different coffee shops during the day. They're really trying to make sure their business stays afloat. They're growing their business. They're working ten different jobs in that business and they're making our city proud by investing in our commercial corridors. They usually have their own Wi-Fi connection. They've usually purchased it for the purposes of operating their business but also for the clients that they have. So, the Secure App may not be necessarily the first thing they should do. The things they should do are some of the things that we recommend in our business preparedness curriculum, which is protecting their data, making sure that there's duplicate and back up hard drives for some of the critical information that they have and thinking about all the ways in which they can implement actionable, small, preventative steps to protect their business from cyber security.

CHAIRPERSON FELIZ: Alright, thanks for the information. So, I have a few more question and then we'll conclude so that we could hear from the public. So, the following questions are related to Introduction 1350. My colleague, Council Member Majority Leader Amanda Farias touched on some of these topics earlier today.

So, what loan resources are currently available for small business owners and also where are these resources and also, the lease resources include information about community development, financial institutions.

HARIS KHAN: Thank you Chair Feliz. So, on information and resources on loans, we offer businesses one on one assistance so that they can understand the different financing assistance options available to them and we help them with the application process. So, that means understanding which financial product may make the most sense for them, calculating loan repayment terms, connecting them to the lenders that are available, understanding loan payment deferment options when they're considering these loans and also – and they can do this through either our NYC Funds Finder, which is the first online capital market place for small businesses and we're just at the milestone of the two year anniversary since we've launched this tool. Or they could do it through our seven business solution where New Yorkers can visit, they're located in all five boroughs and if they would not prefer to be on the websites or at our center, they can also call our hotline at 888-SBS-4NYC and that's how we connect folks to financing assistance and loan resources. On CDFI's, we work with a range of CDFI partners, 17 to be precise and our Funds Finder platform includes up to 40, more than 40 loan and grant products from the CDFI partners.

So, it's already integrated into our one stop shop capital market place. That's the funds finder and it's information available to business owners when they reach our business solution centers as well.

CHAIRPERSON FELIZ: How does the NYC Funds Finder function and also, who are the accounting professionals that are connected through the program? What would the follow up look like? What are services provided through the NYC Funds Finder? And also, how many first time free appointments could be scheduled? And also, are – uh so many questions all into one, right?

HARIS KHAN: I'll keep track of all. All in one go for you.

CHAIRPERSON FELIZ: Sounds good and also our follow up appointments also free or is there a charge for that? And if there's a charge how much?

HARIS KHAN: Sure, so on the function, it's the first of its kind online market place for small business lenders and this is – think of it as a website you can go to and you can actually go to it right? When you go to this website, you create an account and you'll see all of the available lending options available to you as a small business owner with information on who is providing it and that's the first level of help you can get, which is understanding what's out there.

It also allows you to create appointment with a funding advisor. That's a person that can walk you through those steps. So, I think we were talking earlier about what is it – like, if you have many options, analysis paralysis. You have many options, sometimes that could dis-encourage somebody from taking the next step, which is to act on it and take advantage of a resource. So, what we do with Fund Finder is, on that same platform, you can then get connected with a funding advisor who can set up an appointment, walk you through the options, and then help you package the things you need to compete for that application.

On the question of who the accounting professionals are, these are certified professional, certified public accountants that we connect people to. On your question regarding how many first time free appointments have been scheduled, this is a team that's – all of these appointments are free. There is no cost associated with DCPA appointments. This is part of that deeper technical assistance that we shared in our testimony that we're piloting this year from April to December of 2025 and we also provide the service up to five hours to small businesses. So, if they meet with the coach and one hour isn't enough, then they can get additional appointments. Up to five hours is the total that we have in this pilot program and we're proud to be able to provide this work to them. And since the start of the Funds

Finder, which we launched two years ago and we just hit our two year anniversary mark. Over 2,000 businesses have received appointments through the Funds Finder and over 350 have received appointments through the specialized business finance coach, which is the pilot program that Majority Leader Farias is interested in discussing come December.

CHAIRPERSON FELIZ: Uhm, and uh are the appointments free? Are the follow up appointments free?

HARIS KHAN: Yes, all of our services are free and they can be accessed either through our Business Solutions Centers, through our hotline or through the website itself, the Funds Finder website.

CHAIRPERSON FELIZ: Okay cool, sounds good. Alright, so I think we've covered a lot of material. We'll stop here. I just want to thank you again for joining today. I also thank you for all the work you do to support our small businesses and our business improvement districts. I look forward to continuing working together to make sure that yeah, our small business corridors could remain vibrant, and yeah, I just want to thank you for being a good partner.

HARIS KHAN: Thank you so much Chair Feliz. The topics that were selected for this hearing, the bills that are being discussed are incredibly important for the city's small business community. We're so proud that we've worked together. That you've shown leadership in this area and our agency has delivered on rescuing our local economy after the pandemic. Some of these things are after effects of that, retail theft, cyber security, and we're proud that we've proactively put out resources and tools to help the business community in this regard, so really excited to continue working in this space and I just wanted to leave by making sure there's another reminder to anybody in the audience that's here for the public hearing but also New Yorkers watching and to all the Council staff members who are also probably listening in, that the New York State Commercial Tax Credit is still opening, receiving applications. It's still open for new businesses and so the deadline for that is October 31st and that's tax credits for which you could get $4,000 or $6,000 depending on how many employees you have for security camera, for plexiglass, for other security measures.

So, there's a thing today right now that New Yorkers can do to protect themselves from retail theft and we strongly encourage folks to explore that and to be part of the program's success.

CHAIRPERSON FELIZ: Alright, sounds good. Thank you so much.

HARIS KHAN: Thank you.

CHAIRPERSON FELIZ: Thank you for joining today.

HARIS KHAN: Thank you.

CHAIRPERSON FELIZ: Thank you again. I now open the hearing for public testimony. I remind members of the public that this is a government proceeding and that decorum shall be observed at all times. As such, members of the public shall remain silent at all times. The witness table is reserved for people who wish to testify. No video recording or photography is allowed from the witness table. Further, members of the public may not present audio or video recordings as testimony but may submit transcripts of such recordings to the Sergeant at Arms for inclusion in the hearing record.

If you wish to testify at today's hearing, please fill out an appearance card with the Sergeant at Arms and wait to be recognized. When recognized, you will have two minutes to speak on today's topic Cyber Security for Small Businesses or on Introductions 180 or 1350. If you have a written statement or additional written testimony you wish to submit for the record, please provide a copy of that testimony to the Sergeant at Arms. You may also email written testimony to testimony@council.nyc.gov. Again, testimony@council.nyc.gov within 72 hours of the close of this hearing. Audio and video recordings will not be accepted.

For in person panelists, please come up to the table once your name has been called. I will now call on our first panel, Darry Saldana from the Bronx Chamber of Commerce. Thank you so much Darry for joining us today. And we don't have that many witnesses so we'll provide witnesses three minutes for their testimony.

DARRY SALDANA: Thank you. Good afternoon Chair and members of the Committee on Small Businesses. My name is Darry Saldana, Director of Small Business Development over at the Bronx Chamber and I'm representing the Bronx Chamber of Commerce.

The Bronx Chamber of Commerce is critical in helping local businesses in the Bronx grow, thrive and remain competitive. Thank you to the Council for continuing to prioritize small business issues particularly in the outer boroughs.

I'm here today to show the Chambers full support for Intro. 180 and Intro. 1350. Intro. 180 proposes establishing a program to provide financial assistance with small retail businesses for the purchase of security system technology. Security equipment can get pricey, especially for mom and pop shops already running on a tight margin. This program would help cover some of the cost making it easier for small businesses to afford the kind of protection they need. To be clear, the panic button and cameras just don't protect merchandise, they help employees and customers feel safer, which can make people more comfortable shopping locally.

With the issue of retail theft rising across the city's more stores are often the ones taking the biggest hit. Given them access to better security systems can help deter crime and prevent the kinds of losses that would force a business to close their doors. Intro. 1350 tackles one of their biggest barriers to grow from small businesses, which is access to capital. Many small business owners, especially newer ones or those who – without formal financial training struggle to navigate the loan application process. By requiring SBS to provide loan readiness resources, the bills give entrepreneurs practical tools that they need to become loan ready. This legislation, especially could be helpful to immigrant owners and owned businesses that have historically been overlooked by traditional lenders. We look forward to working with the Council to continue improving the environment for small businesses. The Chamber fully supports Intro. 180 and 1350 and urges you to move forward with these critical bills. Thank you for your time.

CHAIRPERSON FELIZ: Thank you. Thank you so much for the testimony and for all the work you do in the Bronx to support our small businesses. So, a few questions and you somewhat touched on some of them. So, what are some of the cyber security or general security needs of small businesses that you've worked with in the Bronx? And also, what are some potential tools that you think would be helpful on these issues?

DARRY SALDANA: So, speaking from first hand experience, uhm running and overseeing the small business resource network at the Chamber, uhm especially in your district along with the other Council districts, the things that they have the issue is access to the capital. In order to get the equipment that they need for the cameras or the panic buttons. Often times when they're going to these businesses, they are talking about the same things we've heard here today. People are coming into the businesses and they are leaving with merchandise without them knowing. Often times, they feel that the police aren't quick enough to respond to them and they, themselves are in fear of contacting 911 when something is happening.

CHAIRPERSON FELIZ: Hmm okay and what are some potential tools that you've seen small businesses ask for? For example, I'm sure cameras is one of them.

DARRY SALDANA: So, some of them that I have been asking for are in one case, we had a business owner on Fordham Road asking if we could help them get access to new uhm, detectors because they see that some are outdated and it's hard to find a company that can provide them such – uh the detectors that allow them to read what was coming in and out of stuff. That’s one thing that maybe could be utilized.

Uhm, maybe the second one that was brought to our attention is, uh maybe a shelf where they can use an app. I know one of which I heard that is being used with major corporations like Ralph Lauren called Bond, that they’re able to have a person, one to one that they’re given security. So, those are some of the benefits and ideas that some of these business owners themselves have asked and we’re trying to see how we could implement for the mom and pop shops.

CHAIRPERSON FELIZ: Okay, so the detectors, as in like the facial recognition for people that we know are causing havoc.

DARRY SALDANA: Often times they’re just relying on their own CCTV to get like facial recognition, like just repeat offenders but more so like uh you know when you’re stealing; well, not you but when uhm, there’s active people in the community that are stealing from these businesses, there are those detectors that buzz in and out of the store. So, some of them are dated and they often say that maybe the person isn’t stealing and they’re just coming in from another store with something that they already purchased but it’s just triggering as an alarm.

CHAIRPERSON FELIZ: Hmm, got it, okay cool. Sounds good, alright well yeah, thank you so much. Thank you for joining us today.

DARRY SALDANA: Thank you for having us today.

CHAIRPERSON FELIZ: Thank you. Alright, thank you to all who has testified today. We’re going to turn into virtual panelists, but we don’t have anyone who has signed up and present. So, we have now heard from everyone who is signed up to testify. If we inadvertently missed anyone who would like to testify in person, please visit the Sergeant’s table and complete a witness slip now.

If we inadvertently missed anyone who would like to testify virtually, please use the raised hand function in Zoom and a member of our staff will call you in the order of hands raised. No one has testified - no one has signed up to testify via Zoom.

Seeing no one, I would like to note again that written testimony, which will be reviewed in full by Committee Staff may be submitted to the record within 72 hours after the close of this hearing by emailing it to testimony@council.nyc.gov, testimony@council.nyc.gov.

Thank you again everyone who joined us today. This hearing is hereby adjourned. [GAVEL]

<u>C E R T I F I C A T E</u>

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.

Date _____November 22, 2025________________________