

**TESTIMONY**

**BY**

**DEPUTY COMMISSIONER KITTY CHAN**

**NYC**

**DEPARTMENT OF SMALL BUSINESS SERVICES**

**BEFORE**

**THE COMMITTEE ON SMALL BUSINESS**

**OF THE**

**NEW YORK CITY COUNCIL**

**WEDNESDAY, JUNE 28, 2023**

Good morning **Chair Menin** and members of the Committee on Small Business. My name is **Kitty Chan**, and I am the **Deputy Commissioner for Business Services** at the **Department of Small Business Services** (“SBS”). I am joined today by my colleagues **Sherri Lane, Assistant Commissioner for Capital Access and Business Programs**, and **Je’Nean Jones-Seo, Assistant Commissioner for Workforce1**. We are pleased to be here today to speak to this committee about **Intros 263, 969, and 1103**. These three bills each address SBS and the services we provide to small businesses and jobseekers.

SBS’s mission is to unlock NYC’s economic potential and create economic security for all New Yorkers by connecting them to good jobs, creating stronger businesses, and building thriving, vibrant neighborhoods. We are pleased to work with this Committee, and the City Council more broadly, to deliver on the vision of Mayor Eric Adams’ ***Blueprint for New York City’s Economic Recovery***, through outreach and education in your districts, support for local neighborhood institutions, and by working one-on-one with local businesses to access SBS’s free resources and services. We view the legislation before us today as proof of our shared goals.

## **Intros 969 and 1103: Business Financing**

Small businesses are at the heart of New York City's economy. According to the New York City Economic Development Corporation ("EDC"), firms employing fewer than 50 workers make up about 94% of all private firms in the city.<sup>1</sup>

**Intro 969** seeks to provide minority, immigrant, and women-owned business owners with the information they need to find and connect with capital opportunities through a network of **Community Development Financial Institutions** ("CDFI's") while **Intro 1103** seeks to complement our current information sharing practices by requiring instructional materials on **banking services for small businesses be present** on our website.

CDFI's play a crucial role in maintaining the vibrancy of our business community because they have a mission to serve low- to moderate-income and minority communities that have been historically left out of traditional banking and investing options. The **Division of Business Services** at SBS works daily to help small businesses launch, grow, and thrive. Through **SBS's Capital Access** program, we provide free one-on-one assistance to help businesses understand which financial

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<sup>1</sup> "Small Business Dynamism in NYC's Economic Recovery", May 2023, pg. 4  
[https://edc.nyc/sites/default/files/2023-05/Small\\_Business\\_Dynamism\\_in\\_NYC.pdf](https://edc.nyc/sites/default/files/2023-05/Small_Business_Dynamism_in_NYC.pdf).

product is best suited for their needs. If a loan is right for their business, we review and put together documents, calculate loan repayment terms, and finally connect them to multiple lenders – including banks, credit unions, non-profit lenders, CDFIs, and the U.S. Small Business Administration (SBA).

In addition to visiting one of our **Business Solutions Centers** for this information, we are pleased to report to the Committee that SBS is currently working on a **Capital Marketplace** powered by **Next Street** that features CDFI financing products, one of the many public-private initiatives announced by **Vice President Kamala Harris** as part of the **Economic Opportunity Coalition**. We are building this marketplace into the overhaul of the **My City Business Portal** to ensure that small businesses have an easy-to-use site to access both City resources and information on local financing options. The marketplace, which allows users to customize their search or ask for recommendations, will not only provide essential information about local CDFIs but will also connect users to one-on-one assistance from SBS staff. This platform will meet the requirements of Intro 969 as it is currently written.

We intend to launch in the near term and SBS will focus our public awareness campaign on minority, immigrant, and women-owned businesses throughout the five boroughs.

**Int. 263: Annual Workforce1 Reporting**

While the Division of Business Services at SBS focuses on our city's small businesses, the **Workforce Development Division** oversees a broad workforce development program, from job connections to job training. The third bill being considered, **Intro 263**, would require SBS to provide annual reports to the Mayor and City Council on activities at our **18 Workforce1 Career Centers**.

At SBS, we pride ourselves on offering an array of employment opportunities. More than 80,000 New Yorkers enter our Workforce1 system each year. When they do, we don't just hand them a list of openings, we work intensively to prepare them for their next career move. In FY 2022, we connected over 25,000 job seekers with employment, 88% of which were full-time opportunities.

Each person who walks into one of our centers is supported through the entirety of their job search: cover letter assistance, resume tips, interview

preparation, and more. We even help New Yorkers take the next step in their career journey through occupational training in technology, healthcare, food service, manufacturing, media and entertainment, and other industries. Roughly 6,000 New Yorkers are enrolled in training programs during a fiscal year, which not only helps to ensure our workforce matches the need of industry but prepares New Yorkers for higher paying jobs.

We also provide pathways to a variety of apprenticeships and other programs designed to bring essential workers, like foreign-born nurses, into New York City's workforce. This work is valuable, and we are always looking for new ways to improve upon how we deliver this vital service.

### **Closing Remarks**

In closing SBS supports the intent of these bills. We look forward to working with this committee on the final product and welcome any questions you may have for us.

Thank you.

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**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 263,1103,969 Res. No. \_\_\_\_\_

in favor  in opposition

Date: 6/28/23

(PLEASE PRINT)

Name: Kitty Chan, Deputy Commissioner

Address: [REDACTED] 1 Liberty Plaza

I represent: Small Business Services

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

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

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 263,1103,969 Res. No. \_\_\_\_\_

in favor  in opposition

Date: 6/28/23

(PLEASE PRINT)

Name: Jean Jones-Seo

Address: 1 Liberty Plaza

I represent: Small Business Services

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

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

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Appearance Card

I intend to appear and speak on Int. No. 969 Res. No. \_\_\_\_\_

in favor  in opposition

Date: 06/28/2023

(PLEASE PRINT)

Name: Rachel Neches

Address: [REDACTED] Dekalb Ave

I represent: Center for an Urban Future

Address: 80 8th Ave

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

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Appearance Card

I intend to appear and speak on Int. No. 263, 1103, 969 Res. No. \_\_\_\_\_

in favor  in opposition

Date: 6/28/23

(PLEASE PRINT)

Name: Sherri Lane

Address: 1 Liberty Plaza

I represent: Small Business Services

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

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