

TESTIMONY
BY
COMMISSIONER JONNEL DORIS
NEW YORK CITY
DEPARTMENT OF SMALL BUSINESS SERVICES
BEFORE
THE COMMITTEE ON SMALL BUSINESS
OF THE
NEW YORK CITY COUNCIL
WEDNESDAY, MARCH 17, 2021

Good afternoon Chair Gjonaj and members of the Committee on Small Business. My name is Jonnel Doris and I am the Commissioner of the New York City Department of Small Business Services (“SBS”). I am joined by SBS First Deputy Commissioner Jackie Mallon and members of my senior leadership team.

At SBS, we aim to unlock economic potential and create economic security for all New Yorkers by connecting New Yorkers to good jobs, creating stronger businesses, and building thriving neighborhoods across the five boroughs. Furthermore, innovation, adaptability, and collaboration underpinned by equity are the guiding principles that ground all of our work. With our programs that include the NYC Business Solutions Centers, the Workforce1 Career Centers and services, administering the Minority and Women-owned Business Enterprise (M/WBE) Program, providing financial assistance, and overseeing the largest network of Business Improvements Districts (BIDs) in the country, our goal is to provide high quality services that create opportunity for New Yorkers.

SBS’s Fiscal Year ‘22 Preliminary Budget is \$152.8 million with a headcount of 298 employees. The Preliminary Budget includes pass-through funding that is not spent or managed by SBS as we serve as a conduit for funding for other City entities. Of the \$152.8 million, 40.7% or \$62.2 million is pass-through funding, which includes: \$26.3 million for the New York City Economic Development Corporation (“EDC”), \$20.8 million for NYC & Company, and \$15.1 million for Governors Island. The remaining

\$90.6 million, or 59.3% of the Fiscal Year '22 Preliminary Budget, is allocated for SBS's programs.

Just over a year ago, our work and the lives of our clients were upended in a way we could have never imagined. New York City was forced to shut down to combat the surging pandemic and prioritize the health and safety of New Yorkers. The economic crisis that followed has been nothing short of devastating for small businesses, especially to our immigrant and minority-owned businesses, jobseekers, and neighborhoods.

From the moment of the shutdown the City acted swiftly to support small businesses. At SBS, our agency has worked tirelessly to blunt the most severe damage from this prolonged health and economic crisis and ensure an equitable recovery. SBS employees have played a vital role in the response effort, working non-stop since the start of this pandemic. I am incredibly proud of these dedicated and committed public servants who are at the frontlines helping to bring our city back; supporting our small businesses, workers and communities. In the last year we have launched over two dozen new programs and initiatives, delivered 134,000 services to small businesses, supported over 76,000 individuals, and connected New Yorkers to more than 14,500 jobs. We have connected more than 5,000 small businesses to over \$135M in local, state, federal and philanthropic funding.

Our small business hotline has fielded over 55,000 individual calls and we have hosted over 355 webinars serving nearly 50,000 attendees and provided over 750 mentorship services to NYC business owners. We have completed over 335 virtual consultations and hit the streets, going door to door meeting businesses where they are by walking in nearly 80 commercial corridor tours. Additionally, we have connected with over 100 business advocacy groups to support outreach and get feedback on our programs and community needs.

Adapting to the new circumstances and creating new programs has been a critical part of our response. The Open Restaurants program was an early lifeline for businesses and has enrolled more than 11,000 establishments since its inception in June 2020 and has saved an estimated 90,000 jobs citywide. Building on this program, the City launched Open Storefronts which opened the streets to other ground-floor businesses to take advantage of much needed outdoor space. We also expanded our no-cost compliance consultation services to help businesses open safely, avoid penalties, and created plain-language re-opening resource guides for each industry.

We were the first city in the country to provide financial assistance to businesses and launched the Employee Retention Grant and the Small Business Continuity Loan Fund, giving relief when federal and state programs were not yet available. For the stores that were impacted by looting or vandalism over the summer, we launched the Small Business Emergency Grant program to mitigate damages. And in November, when Washington had not yet produced a second round of much-needed relief, we launched

the NYC LMI Storefront Loan and the Interest Rate Reduction Grant, which were designed for small businesses in low-to-moderate income (LMI) neighborhoods largely left out of the first round of federal aid. Our Commercial Revitalization Grants, including the new Strategic Impact COVID-19 Commercial District Support Grant, were designed to help execute local COVID-19 recovery support for small businesses and strengthen NYC's commercial corridors. To date, these programs have put \$61 million into the pockets of 4,500 small businesses and allocated \$4.4 million to 50 small business supporting organizations in 66 communities.

To help small businesses access billions in federal relief, our Fair Share NYC program provides direct assistance to businesses and offers free resources, one-on-one technical application assistance, and help connecting to PPP lenders. To date, we have helped over 300 businesses access \$17.5 million in PPP funds and of those businesses, 73% reported being minority-owned and 70% are located in outer boroughs. To support the creative industry, we launched Curtains Up NYC, a program that offers help for NYC businesses and nonprofits connected to live performance to apply for the federal Shuttered Venue Operators Grant program.

We also invested in three new mentorship programs targeted in communities identified by the City's Taskforce on Racial Inclusion and Equity (TRIE). Small Business Mentors NYC, BE NYC Mentors, and M/WBE Mentors provide industry experts as guides for current and aspiring entrepreneurs seeking to start and grow a business during difficult times. These programs are expected to serve at least 1,500 businesses in 2021.

To help small business owners bridge the digital divide and take their business online, we launched Training for Your Employees, a no-cost training on cloud software programs with live instruction in English, Spanish and Mandarin. These courses target TRIE neighborhoods with a focus on micro businesses and to date 72% of attendees are minority-owned and 67% are women-owned. We also launched our Shop Your City advertising and social media campaign to drive more customers to shop locally. It includes ways for New Yorkers to support minority-owned businesses, some of the hardest hit by the pandemic.

Low and middle income workers have been hit hardest during the pandemic with many losing their jobs. Our Workforce1 Career Centers are here to help and have assisted more than 76,200 individuals, and worked with over 1,000 businesses. And we have connected New Yorkers to more than 14,500 jobs at an average wage of \$17.40 per hour.

We continued 13 occupational training programs remotely in the sectors of tech, healthcare, media and industry, from which hired graduates went on to make an average wage of \$60,000 annually, creating a real path to family sustaining wages for these New Yorkers. To prepare New Yorkers with the skills to pursue an in-demand career in the industrial, media, and tech sectors, we launched Career Discovery NYC, a centralized resource to assist New Yorkers with career exploration and training. We have also continued to offer the Construction Site Safety training online, issuing over 2,700 site safety training cards to date with courses available in English, Spanish,

Mandarin, Cantonese, Polish and Russian.

M/WBEs have also been a key focus during the pandemic. To create even greater equity of opportunity in public procurement and offer expanded opportunities to M/WBEs, in July 2020, the Mayor signed Executive Order 59, directing all City agencies to maximize use of the M/WBE \$500,000 discretionary method by procuring goods, services, and construction from M/WBEs and requiring agencies to get at least one quote from an M/WBE before awarding a COVID-19 response contract. And tracking of awards and payments by the Office of MWBE shows that 536 M/WBEs have received \$910M in emergency contract work and payments from Mayoral and Non-Mayoral agencies since March of 2020.

Supporting women and Black entrepreneurs is vital to a successful recovery. During the pandemic, WE NYC has continued to provide services through its 10 research-based programs, designed to benefit women with education, legal assistance, mentorship, networking opportunities, and access to capital. BE NYC has pushed Black entrepreneurs to the forefront of the City's equity and innovation agenda and is creating pathways to generational wealth.

Through the support of the Council, our Chamber On-the-Go initiative allows us to have our trained business specialists canvas commercial corridors and connect with business owners. They have already successfully reached more than 18,000 businesses directly.

And the Council-supported worker cooperative program has already helped create 196 worker cooperatives and has led to the creation of 889 new jobs.

SBS created a small business recovery plan designed to jumpstart the economy in the short-term, while laying the groundwork for sustainable small business recovery in the long-term. This small business recovery plan, developed in collaboration with business leaders, industry associations, and city government partners, was based on four strategies to ensure an equitable, city-wide economic recovery: 1) support business innovation to increase revenue, 2) equip entrepreneurs to adapt and lower operating costs, 3) foster close collaboration with businesses to cut red tape, and 4) promote equitable economic growth and support diverse businesses of the future. With our business recovery plan in full swing, a massive vaccination effort underway, and the passing of the American Rescue Plan Act of 2021, New York small businesses can finally see a glimmer of light at the end of the tunnel. As New York City starts to turn the corner, showing signs of an economic recovery, SBS continues to focus on making sufficient capital available for small businesses to recover and survive and providing relief for business operating expenses to avert more small business closures. To support these efforts, at this year's state of the city, the Mayor announced several initiatives that will drive economic recovery among small businesses, including a \$100 million loan fund and a \$50 million rental assistance program in the form of a tax credit. And with an additional \$7.25 billion for the Paycheck Protection Program (PPP), an additional \$15B for the targeted Economic Injury Disaster Loan (EIDL) program, and a \$28.6 billion Restaurant Revitalization Fund included in the American Rescue Plan Act,

SBS plans to provide technical assistance to help small business owners and restaurant operators prepare for and access this much needed federal aid. SBS will activate Fair Share NYC in the same way we did for small business owners accessing PPP and the Curtains Up NYC program for performance venues. We will also continue to work with partner agencies and City Council to make New York City one of the easiest places in the country to open or reopen a business by cutting fines and red tape to help small businesses recover and thrive.

A key component of the city's recovery is continuing to connect New Yorkers to good jobs. The recently announced Vaccine for All Corps, which will employ 2,000 New Yorkers from neighborhoods hardest hit by COVID, will source workers through SBS Workforce1 Centers. And lastly, we will continue to work with the city's 76 BIDs, 5 Chambers, community groups, and sector council representatives to ensure the city's business districts, retail corridors and neighborhoods are clean and safe, welcoming businesses and consumers alike.

In conclusion, I am incredibly proud of the work my team at SBS has done to serve businesses, neighborhoods and job seekers during Fiscal Year '21 and throughout the pandemic. While we know that there are challenges ahead, we are confident that our economic recovery plans present a roadmap that will ensure a sustainable and equitable recovery for New York City small businesses, workers, and neighborhoods. I look forward to the Council's continued partnership as we work together to aid in New

York's recovery from COVID-19.

Finally, I want to share my support for the extension of Local Law 55 of 2020, which extends temporary personal guaranty protection provisions for commercial tenants impacted by COVID-19. The law has allowed small business owners to plan and make decisions without fear of additional losses.

Thank you for the opportunity to present today and I am happy to answer any questions you may have.



TESTIMONY

Preliminary Budget Hearing:
“New York City’s Worker Cooperative Business Development Initiative:
Worker Cooperatives As An Economic Development Strategy”

Presented to

New York City Council, Committee on Small Business
Hon. Mark Gjonaj, Chair
Wed, March 17, 2021

Prepared By:

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On behalf of New York City Network of Worker Cooperatives (NYCNoWC)

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Good afternoon, Chair Gjonaj, other Council Members and staff. My name is Andrea Bowen, and I engage in government affairs and policy advocacy on behalf of the the New York City Network of Worker Cooperatives (also known as NYC NoWC) the local trade association representing worker cooperative businesses & democratic workplaces in the New York City metropolitan area. As a member of the city council funded Worker Cooperative Business Development Initiative (WCBDI), I am here on behalf of the 14 organizations that make up the initiative, asking NYC City Council to continue supporting the expansion of worker-ownership in next year's budget and firmly into the future. We thank Council Member Rosenthal for being our champion of this initiative, and thank you, Chair Gjonaj, for being a stalwart supporter.

In FY22, we seek a restoration of WCBDI to \$3.06 million, which was what we received in FY21, and which was a 15% reduction of our FY20 allocation. However, during the COVID crisis, WCBDI partners have provided astounding support to worker coops, who have weathered the storm by using their democratic governance of businesses to maintain wages and keep businesses open.

Five years ago, NYC Council made history by passing the nation's first Worker Cooperative development initiative. Since then more than 20 cities across the nation are looking closely, replicating, and catching up to our city. Cities like: Madison, Philadelphia, Oakland, Boston, Santa Clara, and many others have introduced similar legislation or budget allocations.

And during the COVID crisis, WCBDI members have come through for cooperatives. WCBDI partners operated under many constraints to quickly respond to the emerging needs of worker cooperatives during the crisis, exceeding technical assistance and educational services numbers in FY20. In FY 20, WCBDI partners:

- Supported co-ops in their client communication and pivots as their services and processes adapted to the moment
- Assisted worker co-ops in accessing millions of dollars in existing small businesses relief programs (PPP, EIDL, NYC Employee Retention Grants, Etc).
- Implemented training tailored to emerging needs:
 - Bilingual info sessions on government support with translated material
 - Occupational safety training to protect workers and customers
- Stepped up conversion work to support businesses to preserve jobs
- Assisting co-ops in identifying new lines of business through market research, training and business planning.

In FY21, the seventh year of the Initiative, our priorities are centered on increasing the growth and resiliency of worker cooperatives through innovative strategies. We intend to expand our financial assistance and business skills development services; facilitate more business-to-business networking and connect businesses to clients; and strengthen sector-specific work. WCBDI partners also provide mentorship to a growing number of nonprofits developing worker cooperatives, amplifying best practices and resources. WCBDI partners have, with support from the Mayor's office, started owner2owners.nyc, a website and hotline to help businesses in determining how to

covert their businesses to worker cooperatives, something especially important as we see more Baby Boomers retiring and wondering what to do with their companies, especially in light of the COVID crisis.

I also wanted to note some extra pieces of legislation and/or budget action we're in support of:

- In partnership with United for Small Business NYC we are in support of **Intro 1796** for Commercial Rent Stabilization and getting the **Commercial Lease Assistance Program** back into the Mayor's budget
- In partnership with Public Bank NYC we support **Intros 2099 and 2100**
- We also support the efforts of the **NYCCLI coalition on community land trusts** and their enhancement ask to \$1.3 million

Thank you for your support, and we are happy to answer any questions. Please send them to andy@bowenpublicaffairs.com.

REBNY Testimony | March 17, 2021

The Real Estate Board of New York to The Committee on Small Business of the New York City Council Concerning Pre-Intro T2021-7265

The Real Estate Board of New York (REBNY) is the City's leading real estate trade association. Founded in 1896, REBNY represents commercial, residential, and institutional property owners, builders, managers, investors, brokers, salespeople and other organizations and individuals active in New York City real estate. REBNY strongly supports policies that expand the local economy, grow, and improve the City's housing stock and create greater opportunities for all New Yorkers. Thank you to the City Council for the opportunity to testify on this important legislation.

Just as was the case with Intro 2083-2020, which extended Local Law 55 of 2020 allowing for the unenforceability of personal guaranties, REBNY also opposes Pre-considered Intro T2021-7265 which again modifies Local Law 55 of 2020 by extending the unenforceability of personal guaranties in connection to certain commercial leases to June 30, 2021. The pandemic's impact on New York City's economy continues to be broad, adversely affecting tenants and owners alike.

Upon a tenant's default, owners could have no recourse to collect rent or other fees without the enforceability of a personal guarantee, making it difficult for owners to meet mortgage and property tax payments. Although the Council enacted Local Law 55 to protect vulnerable small businesses, it continues to elude this Council that small businesses also consist of property owners in need of relief. Government should not be able to shift the pandemic's economic burden from one group to another without explaining why one group is more deserving of relief than the other.

There are many empathetic small business landlords who have helped support their tenants, particularly in preventing a business from vacating its space. But throughout the pandemic commercial tenants have abandoned their leases, knowing that no party will be responsible for the unpaid rent. Indeed, in a survey of small property owners, one out of five commercial tenants have either abandoned or threaten to abandon their leaseholds during the period from March to August 2020.¹ This will only cause more

¹ Small Property Owners of New York, (August 25, 2020), Retrieved from <https://spony.org/2020/08/small-property-owners-of-newyork-announces-majority-of-owners-and-managers-of-small-properties-are-working-with-tenants-by-reducing-forgoing-and-offering-rentconcessions>

economic stress for owners and impede New York City's overall recovery from the pandemic. For a Council that aims to promote equity and justice, perhaps nothing is more inequitable or unjust.

REBNY believes strongly in the need for a pandemic commercial rent relief program and is working with the State Legislature and the Council to establish such a program. We hope that ultimately a strong rent relief framework will be implemented to support small business tenants and small building owners alike. Until then, it behooves us to not extend punitive measures like Local Law 55 that picks winners and losers.

For the foregoing reasons, REBNY opposes Pre-Considered Intro T2021-7265. Thank you for the opportunity to testify on these points.

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In support of extending local law 98 of 2020

Good afternoon. My name is Kathleen Reilly and I am the NYC Government Affairs Coordinator for the New York State Restaurant Association. We are a trade group that represents food and beverage establishments in New York City and State. We are the largest hospitality trade association in the State, and we have advocated on behalf of our members for over 80 years. Our members represent a large and widely regulated constituency in New York City. But more importantly, a full year into the Covid crisis, they represent one of the industries hardest-hit by this pandemic.

We know the restaurant industry will be critical to the economic and cultural recovery of New York City. Support for this industry to survive, and ultimately thrive, is crucial. With that goal in mind, we are testifying today in favor of extending personal liability protections until June 30, 2021. Thank you so much to Council Member Rivera, Speaker Johnson, and the Small Business Committee for introducing this extension and holding today's timely hearing.

NYSRA is wholeheartedly in support of extending the provisions of local law 98 of 2020 until March 31, 2021. This law, which prevents personal liability provisions in commercial leases from being enforced against Covid-related defaults, has provided both protection and peace of mind to NYC restaurants over the last year. Without intervention, the protection would expire at the end of the month, on March 31. We recognize that these protections have already been extended once, and while the new end date seemed reasonable back in September, the holiday surge of Covid-19, the second shutdown of indoor dining, and the timelines for vaccinations and the federal Restaurant Revitalization Fund all contribute to our current need for a second extension. The support to extend the protections of local law 98 of 2020 is very strong with New York City operators, and they have been inquiring with us for months about the possibility of an extension. We are so appreciative to have that possibility before us.

The holiday surge of Covid-19, which triggered a second shutdown of indoor dining in NYC, represented a setback in the road to recovery from the pandemic that we did not foresee in September. This winter has been incredibly difficult for restaurants, as outdoor dining has been severely limited by the weather, and even increases in takeout and delivery failed to make up the difference. In a recent survey we conducted in partnership with the National Restaurant Association, we found that increased takeout and delivery orders made up for under 30% of lost on-premise business for most restaurant operators. The losses of the restaurant industry over the last year are immense, and restaurants are still in a vulnerable position at this point.

Looking forward, the ongoing vaccination effort and the recent passage of the federal stimulus, including the Restaurant Revitalization Fund, seem poised to make a difference for operators. While restaurant employees themselves are thankfully eligible for vaccines at this point, that is just one piece of the puzzle when it comes to scaling up the consumer confidence necessary for

business to return to normal. In the next few months, as more and more New Yorkers are vaccinated, we expect that confidence to rise. Beyond the vaccination process, there is also the anticipation of receiving an influx of federal support from the Restaurant Revitalization Fund in the coming months. While this stimulus has been passed and signed into law, we do still expect some friction and lag between now and when money is actually received by restaurant operators. Thankfully, President Biden has indicated that he wants to prioritize and expedite getting this fund up and running and accepting applicants. Even so, between turnover at the SBA and the likely growing pains of creating a brand-new program, our partners at the National Restaurant Association predict funds to be distributed by May at the earliest. We eagerly anticipate our operators receiving those funds! That being said, we also want to acknowledge that the total available money (\$28.6 billion) is less than 12% of the estimated \$240 billion the industry lost in 2020. While we absolutely applaud the passage of the fund, we also want to remain realistic about what it will mean for the recovering restaurant industry of NYC.

All of this is to say: three more months of personal liability protection would be a meaningful way for the city to assist the restaurant industry in our reopening and recovery. There is a lot still in flux this spring, between the pace of vaccinations and the hopeful but uncertainly-timed receipt of RRF money, and there are grave losses to recoup. Many operators are in debt, many are still behind on rent, and extending the protection against personal liability enforcement will make it so much easier for operators to see the light at the end of the tunnel.

In conclusion, the New York State Restaurant Association is grateful to City Council, and the Small Business Committee, for discussing Council Member Rivera's preconsidered introduction to extend local law 98 of 2020. We are in full support of this measure. The restaurant industry is still fighting for survival, and we thank City Council for keeping that in its consideration of this and other relief measures. We look forward to our continued collaboration. Thank you for hearing us today.

Respectfully Submitted,

Kathleen Reilly

NYC Government Affairs Coordinator

New York State Restaurant Association

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Preliminary Council Budget Testimony
Committee on Small Business
March 19, 2021

Dear Chair Gjonaj and Small Business Committee Members:

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

ANHD is also a member and convener of United for Small Business NYC and the Industrial Jobs Coalition. These coalitions respectively bring together groups from around the city that provide services and lead advocacy to support our commercial corridors and industrial business zones, both of which face consistent challenges from speculation and rising rents.

We are asking the council to ensure funding for two key programs supported by the Department of Small Business Services: the Commercial Lease Assistance program and the Industrial Business Service Provider program. We also support the extension of the personal liability protections in LL55 to June 30, 2021.

Commercial Lease Assistance

We have been strong supporters of the Commercial Lease Assistance program since it started in 2018. It is the only city-funded source of free legal assistance for small business, and it provides unique services that are not offered by other programs. Since the CLA program began, CLA-funded attorneys have advised on over 1,200 matters for hundreds of small business owners in every council district, predominantly low-income, women-owned, and minority-owned businesses.

CLA has also helped strengthen the ecosystem of small business supports in low-income commercial corridors, connecting neighborhood-based groups to legal service providers, and since the pandemic hit, requests for assistance have multiplied tenfold. Several of ANHD's members are subcontracted as community referral partners for the program, and have helped businesses secure assistance to understand their leases and negotiate new rental agreements.

We appreciate the commissioner's commitment to maintaining the program and look forward to seeing the program funded in the upcoming executive budget. We would also like to see the program expanded to allow it to keep pace with the demand for services, offer services in multiple languages, and provide assistance on a broader range of issues, including tenant harassment, which is increasing as reopening begins.

Industrial Business Service Providers

While small businesses in general are important to our city's economic health and recovery, the industrial sector is particularly critical to the city's equitable recovery. Industrial businesses in

particular are playing a key role in keeping the city going through the pandemic, with food distribution, production of personal protective equipment, provision of utilities, waste management, and other essential services. While the city and state saw a net job loss in December 2020, industrial sectors added more jobs than any other. A strong industrial sector is key to our city's basic functioning, and in order to sustain that functioning industrial businesses need additional support.

There are over 40,000 industrial businesses across the city that are supported by 8 industrial business service providers. These nonprofits help retain and grow businesses by providing training and technical assistance, workforce development services, support in accessing government programs, financing, and business planning. Industrial businesses rely on their expertise to help their firms grow and survive in the community. The support networks they have built are invaluable resources for industrial businesses as well as city agencies and elected officials, as they can leverage their deep knowledge of the communities' needs to inform city policy.

The IBSP contracts were funded last year, but received a reduction in funding - we would like to see them restored to pre-pandemic levels as the IBSPs are doing considerably more work as they scramble to address the raft of challenges and funding opportunities. Appropriate levels of funding for the IBSP program will ensure that they will be able to serve the many businesses that rely upon them for advice and support

As we look toward recovery, it is critical to understand the role that small businesses play in our city's economy, and to recognize the invaluable work that nonprofit service providers do in helping those businesses succeed, both in pandemic and non-pandemic times.

We urge the council to prioritize continued funding for the Industrial Service Provider contracts and to restore funding for the Commercial Lease Assistance Program.



Asian American Federation

**Testimony for New York City Council Budget Hearing on
Asian American Small Business Needs for Economic Recovery in New York City
Submitted to the New York City Council Committee on Small Business
March 17, 2021**

Thank you Chair Gjonaj and members of this committee for this opportunity to testify. My name is Ahyoung Kim, and I am the associate director of small business programs at the Asian American Federation (AAF).

AAF's mission is to raise the influence and well-being of the pan-Asian American community through research, policy advocacy, public awareness, and organizational development. We represent a network of nearly 70 member and partner agencies that support our community through their work in health & human services, education, economic development, civic participation, and social justice.

Asian New Yorkers are the fastest-growing population in New York City, comprising 15 percent of the overall population and representing at least 10 percent of the population in more than half of the City Council districts. Of this population, 70 percent are immigrants and approximately 50 percent have limited English proficiency.

As you know, Asian-owned businesses are a vibrant and essential part of the city's economy, accounting for about half of net new economic activity and half of net new employment from 2002-2012 in New York City, according to AAF's 2016 report on *NYC's Economic Engine: Contributions & Challenges of Asian Small Businesses*.

In our rapid response efforts in the face of this pandemic, we have facilitated the distribution of hundreds of thousands of masks and hundreds of thermometers to immigrant small business owners and nonprofit partners all over New York City. We also set up an in-language resource web page for policy changes and government assistance programs, and continue to provide direct services for business owners who need capacity building and administrative assistance. From July to August in 2020, we conducted a survey¹ to assess the impact of the pandemic on Asian small business owners across the State, through which we collected over 400 responses.

The majority of our survey respondents answered that their businesses were operating in limited capacity at the time of the survey, and over 31% of them said their business was temporarily closed. Almost all business owners reported a decrease in revenue—55% of them suffering from over 75% loss in revenue.

¹ AAF conducted a survey of Asian American small business owners in New York, from July 14 to August 31, 2020. A brief report summarizing the findings from this survey will be published in the near future.

March 2021

Asian small business owners have been largely left out of outreach and information dissemination efforts in the time of this pandemic. In our small business survey, over 40% of business owners answered they experienced difficulty in finding information in their language. We are devastated to find the Asian American small business community repeatedly excluded from the economic recovery efforts, due to both lack of meaningful engagement and systematic issues that fail to recognize their urgent needs.

In the past year, our staff has been inundated with calls from immigrant small business owners asking for information or support applying to assistance programs, citing lack of language access and procedural assistance. Business owners called in with desperation as they were lost in terms of in what capacity they may carry on with their livelihoods. Restaurant owners reported constant harassment with inconsistent and hostile inspections with no avenue to cure their violations. LEP business owners are discouraged from reaching out to programs that provide invaluable assistance like the CLA program, out of fear they will not be able to communicate with legal counsel. Webinars by city agencies are near impossible to access for those who are hardest-to-reach, yet they are supposed to know all the new regulations, or they will be severely punished. **There simply is not enough support to get the information out to hard-to-reach communities, and small business owners who need help the most are still unsure who they have to reach out to.** We cannot emphasize more the urgent need for a centralized small business assistance center where business owners can tap for information instead of getting lost in the labyrinth of government system.

As if all of this is not enough reason to give up, our community today faces racist attacks that stoke fear and kill local businesses. Horrendous incidents like that of last night in Georgia confirm the immediate threat our community faces, and suppress hope for economic recovery. **Over 60% of Asian small business owners we surveyed last summer answered they are worried about anti-Asian bias or hate crime for themselves, their business, or their staff.**

During the height of the pandemic, Asians went from filing hundreds of claims a month to thousands of claims a month. **Many of the industries that employ low-income Asian workers and operate as small businesses were hardest hit by job losses. These industries include sectors like beauty and nail salons; laundromats; food services; and retail.**

These are also industries that face difficulty in organizing to lobby for their interests. In discussing how to bring about economic recovery, the needs and concerns from our community continues to be ignored. Their feedback for inspection practice reform has not been reflected into legislative efforts like Intro 2233. No one is reaching out to business groups that serve the immigrant small business owners for feedback or to listen in on their needs. We welcome efforts like Intro 2233 or 7265, but without proper outreach and support, our community will remain in the dark and unable to benefit from such protective measures.

With these concerns, we request the council to:

March 2021

- **Secure and expand funding for commercial lease assistance program and ensure services are available in major languages of NYC, and**
- **Allocate funding for an Asian small business support center.** There needs to be a central institution that can provide comprehensive assistance to small business owners struggling to overcome systemic barriers like those mentioned in this testimony.

The City's small business assistance centers need to be decentralized and located in areas where immigrant small businesses are heavily concentrated. Currently, owners are unable to take advantage of any City services because they are located too far from where they work, and the City provides few in-language services in person. Our Center will provide:

- Education about Regulations – Provide in-language materials to guide immigrant small business owners through inspections. These materials would inform owners of what their responsibilities are and what to expect during inspections, which will help them understand how to be in compliance.
- Business Trainings – Create in-language guides for how to start and run a small business in New York City. These guides will establish a common ground of understanding as well as reflect specific needs of different Asian business communities and the industries they work in.
- Build Capacity – Build the capacity of Asian community-based organizations to provide small business assistance to community members. While a few of our member agencies have a small business program, many of the emerging Asian communities in New York City are not receiving the small business assistance they need. Community-based organizations are the first place that Asian small business owners go to for help, and the City must ensure that these organizations are properly prepared to offer assistance.
- Seminars – Provide informational seminars, as well as technical assistance, which reflects the specific needs of different Asian business communities and the industries they work in
- Civic Engagement – Inform small business owners of regulation and policy changes from the get-go to minimize any negative impact at the implementation stage. We would reach out to owners in a systematic manner to inform them of policy changes and invite feedback through ongoing discussions.

Thank you for your continued interest in the urgent needs for Asian small business owners across New York city. We are grateful for the words of support and empathy for immigrant small business owners from this committee, and request that this support be materialized into meaningful assistance and engagement. New York City cannot move on to recovery without empowering our community and failing to address their needs will only extend our road to recovery to a perilous journey.



Written Testimony of BOC Network to Committee on Small Business, March 17, 2021

Friday, March 19, 2021
The Honorable Mark Gjonaj, Chair
Committee on Small Business
New York City Hall
250 Broadway
New York, NY 10007

Dear Chairmember Gjonaj:

The Business Outreach Center (BOC) Network is a microenterprise and small business development organization with an affiliate CDFI loan fund with over 20 years' experience providing hands-on and bilingual small business technical assistance, customized small business training and access to capital in immigrant and minority communities throughout New York City. BOC Network is well known for its service model, supporting entrepreneurs at every stage of business development; for its sector-specific training for child care and construction businesses; for its job creation community economic development projects; and for its collaborative work with NYC as an Industrial Business Solutions Provider for the Brooklyn East and Queens Central service areas. We developed and manage the Maspeth Industrial Business Association and the Brooklyn East Industrial Network, which serve to engage and promote these two critical industrial and manufacturing business communities. We are a member of the Industrial Jobs Coalition and work closely with MaiiC and other organizations related to industrial and manufacturing business support.

BOC Network fully supports the Industrial Business Service Provider Program in this year's City's budget, and requests that you commit to supporting continued funding for the IBSP in the coming year.

For more many years, we have worked hand in hand with the Department of Small Business Services to connect industrial and manufacturing business owners to city, state, and federal resources. The onset of the pandemic demonstrated the importance of this relationship, and our organization stepped up to the challenge. We distributed important PPE to our industrial and manufacturing businesses to help them remain open during the darkest days of the pandemic. We held weekly Q&A webinars on topics including SBA PPP loan applications and forgiveness, City and State reopening guidelines, and provided direct one-on-one business assistance. Our

email newsletter, with over 2,000 subscribers, became an important asset to help businesses access information, resources and navigate these challenging times.

Financing programs and access to capital are critical for the survival of industrial businesses, and this year was no exception. Through the IBSP program we supported businesses with the following programs specifically: NYC Small Business Continuity Loan, SBA EIDL, SBA PPP (first and second round applications), NYCIDA Industrial Program, SBA 504 loans, and the NYC LMI Storefront Loan program. Our business support was in concert with the Department of Small Business Services, often meeting weekly to review current updates to the program, applicant pipeline, and outreach calendar.

Industrial and manufacturing jobs are central to an equitable economic recovery. Jobs in the industrial sector represent a viable pathway for a rewarding career often without the need for advanced degrees. Our work supporting M/WBE certification and even the potential for business ownership through the Worker Cooperative program is central to this ongoing effort.

We thank you for the opportunity to provide this testimony. The Council's sustained funding for the IBSP program will ensure that our work to support an equitable economic recovery will continue. BOC Network is a proven and dedicated partner in this effort, trusted by the communities we serve and valued for our wide-ranging expertise. Thank you again for your commitment to industrial and manufacturing jobs.

Sincerely,

A handwritten signature in cursive script that reads "Quincy Ely-Cate".

Quincy Ely-Cate
Director of Industrial Business Development
NYC Business Solutions Industrial
Maspeth Industrial Business Association
Business Outreach Center Network
96-11 40th Rd Corona, NY 11368



TESTIMONY

Preliminary Budget Hearing:

“New York City’s Worker Cooperative Business Development Initiative:
Worker Cooperatives As A Strategy to Preserve and Grow NYC Small Businesses”

Presented to:

New York City Council, Committee on Small Business
Hon. Mark Gjonaj, Chair
Wed, March 17, 2021

Prepared By:

Anh-Thu Nguyen
Director of Strategic Partnerships

New York City Worker Cooperative Business Development Initiative

Democracy at Work Institute

115 E. 23rd Street, 3rd Floor-1550
New York, New York 10010

Good morning, Chair Gjonaj and distinguished members of the New York City Council Committee on Small Business. It is always an honor to address you. It is especially so today as I submit testimony in support of the hardworking individuals and families in our communities. My name is Anh-Thu Nguyen and I am Director of Strategic Partnerships at Democracy at Work Institute, also known as DAWI by our partners.

On behalf of DAWI and the 13 organizations that make up the Worker Cooperative Business Development Initiative (WCBDI), we thank you for the opportunity to speak about economic development in our communities and worker cooperatives' unique ability to establish, grow, and retain community wealth. Since FY15, your support has helped WCBDI transform this potential into real change for families in our communities.

- The initiative has created more than 800 jobs and pathways to business ownership.
- We have reached more than 9000 entrepreneurs with education and technical assistance services.
- We have created more than 175 new worker cooperative businesses.
- They are providing higher hourly wages--nationally an average of nearly \$19.67 an hour--and building wealth and equity for workers.

In our role as a national organization created to expand access to worker ownership for communities affected by economic and social injustice, we conduct an annual census of firms, monitor growth of the sector, and identify trends, successes, and challenges. I share this because this work gives us a unique view -- a birdseye assessment combined with an intimate approach to supporting workers and aspiring worker-owners in New York City.

Over the past seven years, with City Council support, the WCBDI has worked to build a comprehensive ecosystem capable of bringing new jobs to communities most in need; building successful local businesses, and providing the technical assistance, education, and outreach required to ensure success. The outcome is that New York City is now the largest worker cooperative ecosystem in the United States. New York is also home to the largest worker cooperative in the country: Cooperative Home Care Associates in The Bronx, which has more than 2,000 employees, and a model for high-road home health care industry practices nationally. The city has become a model for equitable economic development through its support of worker cooperative development, and the impact on our communities is being felt.

While diversity can be an issue in many workplaces, worker cooperatives are a haven for entrepreneurs who have been traditionally marginalized. The worker cooperative movement is being led by women, with more than 75% of worker-owners in NYC being women, and over 60% of workers from communities of color. It is also being led by low-wage workers, helping them bring home living wages, build assets that contribute to financial stability, and transform industries over time.

Worker cooperatives are not only an economically sound plan to start a business, but proven to be a sound tactic for saving them. As you know, NYC is a city of small businesses--comprising 98% of the city's businesses, and employing over half of the city's workforce. As many as one-third of NYC small businesses are at risk of closing due to the COVID economic crisis. About 80% of owners don't have or haven't communicated an exit plan, and only 20% of businesses listed for sale ever do sell. In addition, 99.9% of businesses in immigrant and communities of color are small businesses.

To address the COVID economic crisis and its threat to small businesses and communities that depend on them, WCBDI members are embarking on an ambitious partnership with the Mayor's Employee Ownership NYC initiative and the Department of Small Business Services, called the Owner to Owners hotline. It is the first of its kind nationally. Through the Owner to Owners hotline we aim to protect small businesses in danger of closing and save jobs through educating owners on employee ownership as an option for succession planning, and providing the needed technical assistance for a smooth transition.

Our goal is to reach 20,000 small business owners over the next two years through the Owner to Owners hotline. Thanks to WCBDI funding through City Council, we can provide free technical assistance to successfully convert these businesses to worker ownership, including financing for the worker buy-out that ensures that owners receive fair market value for their business, and offering the management training and operational assistance that sets the new employee owners up for success. We work to ensure that these legacy businesses survive, thrive, and continue to help make NYC a strong, diverse, and welcoming home for small businesses in all communities.

We urge the City Council to support worker cooperatives, by fully restoring the initiative which is currently funded at \$3.06 million, so that we can continue to do this important long-term work in support of NYC's economic recovery.

Thank you for the opportunity to testify today. We look forward to continuing the work to build wealth for our communities through shared entrepreneurship.



March 17, 2021

Via: Online Testimony Submission Portal

Committee on Small Business
New York City Council
250 Broadway
New York, NY 10007

Re: Testimony of Volunteers of Legal Service (VOLS) in support of
Commercial Lease Assistance (CLA) Program and Intro. T2021-7265

Chair Gjonaj and Members of the Committee on Small Business:

“I can’t thank you enough for listening and talking to me. This is the first night I will sleep well in months.” That was my small business client’s response after my sincerest apologies to her for not having good news to share about legal options to save her shop.

My name is Arthur Kats and I am the Director of the Microenterprise Project at Volunteers of Legal Service, or VOLS, one of the three non-profit legal service providers partnering with SBS under the Commercial Lease Assistance (CLA) Program. Since 2018, CLA’s five public interest attorneys provide *free* legal representation to hundreds of lower-income small businesses in over 1,200 legal matters, focusing on communities most in need: small business owners of color, women, immigrants, those with limited-English proficiency, and businesses in outer boroughs. CLA is the *only* option for most of our clients to work with an attorney. Over the past year we have adapted to become a crisis management program and we get results. I urge you to ensure that funding for the CLA Program is restored, expanded, and baselined before it expires on June 30th so we can continue to serve our existing clients *and* meet non-stop need throughout our City.

I’d like to share just one example out of hundreds: A tattoo business spent the past decade cultivating an impeccable name in the industry. But the pandemic struck and because government orders kept personal services like the tattoo industry shut for months, our client accumulated six

figures' worth of rent arrears. Despite the business owner's best efforts and 8 months of negotiations, the Landlord refused to consider any compromise whatsoever. Facing with an impasse with the potential for lifelong financial ruin, the client contacted SBS, was screened for CLA services, and was placed with attorneys on my team at VOLS. We immediately reviewed our client's lease and advised them of options under the law. Within days, we negotiated a lease amendment with the landlord settling the arrears; we lowered the rent for the remainder of 2021; and we eased the restrictions in the client's personal guarantee.

Since the beginning of the COVID-19 crisis, the CLA Program has seen a 10-fold surge in requests for help like this. Last year, the Program was eliminated from the budget and then re-established in the fall, creating a gap in service at the time when businesses needed it most. CLA is a racial justice, an economic justice, and an eviction prevention program. With mass evictions looming when the moratorium expires, today we are again seeking your commitment to not only restore, but to expand sorely needed legal services for small businesses before it's too late.

In addition, we strongly support Intro T2021-7265, which would further extend personal liability protections for small business tenants at risk of personal financial ruin and bankruptcy because of closures and business losses incurred through no fault of their own. We supported the Council's initial introduction and first extension of these protections in 2020. VOLS is fighting alongside SBS and the Law Department as a friend of the court to ensure this legislation stands.

We thank you for your partnership, service, and support for small businesses in our city. I urge you to restore, expand, and baseline the Commercial Lease Assistance (CLA) Program.

Sincerely,
Volunteers of Legal Service (VOLS)



Arthur Kats, Esq.
Director, Microenterprise Project



TESTIMONY

Preliminary Budget Hearing:

“New York City’s Worker Cooperative Business Development Initiative:
Worker Cooperatives- An Essential Model for Business Sustainability and Recovery

Presented to

New York City Council, Committee on Small Business
Hon. Mark Gjonaj, Chair
Wed. March 17, 2021

Prepared By:

Catherine Murcek, Worker-Owner
Samamkaya Yoga Back Care & Scoliosis Collective

Samamkaya Yoga Back Care & Scoliosis Collective
119 W 23rd Street, Ste. 406
646-964-5772
info@samamkayabackcare.com
www.samamkayabackcare.com

Thank you Chair Gjonaj and Honorable Council Members of the Committee on Small Business for the opportunity to testify. My name is Catherine Murcek and I am a worker owner at Samamkaya Yoga Back Care & Scoliosis Collective and an elected member of the Advocacy Council coordinated by the NYC Network of Worker Cooperatives (NYCNoWC), a partner organization of the Worker Cooperative Business Development Initiative (WCBDI) and a member of the United for Small Business NYC (USBnyc) coalition. I am testifying in support of worker ownership as a means of equitable economic development and as a crucial component of a just recovery, and I urge you to **continue to support the great work of WCBDI**.

My business, Samamkaya Yoga, is a very special, small studio focusing on the therapeutic applications of yoga for people with a wide range of body types and ability levels, including those with Scoliosis, herniated discs, a fused spine, and we even have an adaptive yoga class for folks with more limiting disabilities. The business formed just over 6 years ago when a group of instructors highly skilled in therapeutic yoga for back issues were feeling exploited and underappreciated at another studio and decided to start their own worker cooperative, which is, in other words, a small business that is co-owned and democratically-run by its workers.

Because of the then newly funded citywide initiative, the Worker Cooperative Business Development Initiative (WCBDI), the founding members were able to get legal support to form the business as an LLC cooperative with bylaws and a system for sharing profit based on the number of hours worked at the studio. One of the founders was fortunately able to offer a personal loan to the business to build out the small studio space in Chelsea to the very specific requirements of alignment-focused therapeutic yoga. In addition, through NYCNoWC's Principle 6 program the studio was able to have business cards printed for all faculty members by Radix Media cooperative. We have also been grateful to have attended a number of workshops and business coaching sessions over the years from NYCNoWC, BOCnet, and CAMBA.

Joining Samamkaya as a worker-owner about 5 years ago has been a truly transformative experience for me. In an industry where most yoga instructors are resigned to being 1099 Independent contractors, to be able to have a vote in decisions about the business that will affect its members was really empowering. In addition, because cooperatives are built on certain principles including concern for community, one worker one vote, and training and education for its members, it has felt incredibly positive to be part of a values-driven business. Cooperatives allow the freedom to get involved in different aspects of the business that one might not have thought to before; to learn and grow in new ways. For example, any member can join the finance committee, learn the ropes, and get involved to the extent they have capacity. Every member has incentive for the business to do well because every member is financially and energetically invested in the business and will do what it takes to see the business succeed.

This became even more crystal clear for me at this time last year when so many non-essential businesses like mine were forced to close their doors in order to prevent further spread of COVID-19. All our members snapped into action as much as they were able, divvying up the tremendous labor of researching different platforms we might use to switch to online offerings and different grants that might be available to help keep us afloat. We completely revamped our

schedule, pay, and fee structures in an equitable way that would make it easier on the studio but also for the teachers who most needed to continue working due to ineligibility for unemployment; we worked together to find the best possible solution for both the survival of the business and its workers.

We were hopeful when SBS announced the Employee Retention Grant and Small Business Continuity Loan, but we were not eligible for the grant and we really could not consider taking on more debt at this time since we still have a large debt from when we first opened. Through the **Commercial Lease Assistance program (CLA)** we were able to set up a legal consultation to advise us on our commercial lease and how we might approach negotiations with our landlord. Fortunately, the negotiations went well, and we truly hope you will continue to fund that program. Even though we still took a major hit in income when moving to purely online content, we recognize many people during these trying times cannot afford the care they need to address back pain and so were able to find a donor to make it possible to offer financial assistance to anyone who would like to take class but cannot afford it.

Even though we have experienced significant losses in revenue, I know that we have been able to fare better than many other yoga studio and wellness businesses--of which so many have sadly closed for good--in a large part because of our democratic structure. Other traditionally-run studios I know of have had to reduce teachers' pay and number of classes, let go of teachers, or even close their doors indefinitely. Because of the resiliency of the cooperative model, and because of the wonderful support offered by the WCBDI partner organizations, I am more convinced than ever that cooperative businesses are a necessary part of a just economic recovery.

I ask that the City council **continue to support and build on the Worker Cooperative Business Development Initiative, restoring its funding at \$3.06 million**, and not making further cuts so that all the incredible partner organizations involved can continue providing legal services, trainings, and technical assistance to our growing community of locally-driven community-focused businesses. The way that the initiative partners coordinate and collaborate with each other is groundbreaking and shows a real commitment to economic democracy within development in addition to empowering small businesses through workplace democracy. They have continued uninterrupted services throughout the period of the pandemic and in many cases added services that were outside their original plans, like workshops to help worker owners respond to the crisis, information about available resources, and support for loan and grant applications. They also make sure that worker owners have "a seat at the table" when making important decisions through the leadership skill building program of NYCNoWC's Advocacy Council, bringing worker-owner voices to policy spaces.

There is so much we are eager to explore with the Committee on Small Business and SBS to help ensure that our small business communities aren't just surviving, but thriving. Most worker cooperatives in our community have not been able to **access affordable commercial spaces**, and we would deeply appreciate assistance with that. We have a goal of creating cooperative co-working hubs in every borough but for now, we lack the resources and capacity to make that

a reality. Ideally these hubs would be developed using the Community Land Trust model in order to foster community control and economic democracy. Cooperatives are also eager to take on **procurement opportunities** with city agencies, but have had trouble accessing city contracts. In addition, **access to direct financing** has been a major barrier for many co-ops to access startup capital. For now, the best option for most co-op startups is through the innovative model used by The Working World, a CDFI and a partner in the WCBDI which supports every one of its loan recipients with education and technical assistance to help them succeed, and only accepts repayment once the business is profitable, but their resources are limited and nearly tapped out.

In coalition with and in support of other groups and we also urge you to support long term community-driven efforts toward a just recovery by doing the following. We ask that city council **hold a hearing on Intro 1796 for Commercial rent stabilization** to protect our broader small business community from future continued closures and displacement in the aftermath of the pandemic. Rents were already too high before the pandemic began, so we need long-term solutions to prevent further displacement of small businesses. Preserve permanent funding for the **Commercial Lease Assistance program** in the budget, and continue to expand the program since there are so many small businesses in need of such support after the year we just had. We urge you to support **efforts to start a municipal public bank, the first steps of which are to pass Intros 2099 and 2100**, so that community dollars can be invested in community good. A public bank would make it easier to channel more funds into our wonderful credit unions and CDFIs to increase access to capital for worker co-ops and also marginalized groups who also face barriers to capital. We need to be Support other community-driven efforts, like the **\$1.5 million enhancement for the NYC Community Land Initiative (NYCCLI)**, to fight displacement through democratically-controlled Community Land Trusts (CLTs). Finally, please consider **a new round of grant opportunities--as opposed to loans--with expanded eligibility and language access to allow for more types of small businesses** to get back on their feet on the long road to economic recovery from the lockdown.

In conclusion, democratic workplaces in our most vulnerable communities help protect against wealth extraction by building up community wealth, the capacity for community control, and by protecting jobs and wages. My cooperative community members and I urge you to continue to support WCBDI and build on all efforts that prioritize equity and give members of NYC's communities a seat at the table in the major decisions that will affect them in order to prevent displacement and to ensure a just economic recovery. Thank you for your work and for reading my testimony.



TESTIMONY

Preliminary Budget Hearing:
“New York City’s Worker Cooperative Business Development Initiative:
Worker Cooperatives - An Essential Model for Business Sustainability and Recovery

Presented to

New York City Council, Committee on Small Business
Hon. Mark Gjonaj, Chair
Wednesday, May 17, 2021

Prepared By:

Elizabeth Ruiz, Founder, and Worker-Owner
Progressive Cleaning Cooperative

Progressive Cleaning (Cooperative in Development)

545 West 158 Street, Apt 66
New York, NY 10032

(English Below)

Buenas tardes miembros del Concejal y del Comité de Pequeñas Empresas del Concejal de la ciudad de Nueva York. Mi nombre es Elizabeth Ruiz. Soy miembro de la Cooperativa Progressive Cleaning, una cooperativa nueva que lanzó en este año.

Esta cooperativa se hizo en medio de una pandemia que afectó a muchos de nosotros especialmente en el área de empleo. Somos 6 personas, 5 mujeres y 1 hombre y todos en la situación de no tener empleo en este momento. Juntamos este grupo para crear esta cooperativa porque creemos que las cooperativas son exitosas y grandiosas.

La organización Urban Upbound, fundada por la iniciativa de WCBDI nos enseñaron todo de lo que es una cooperativa, cómo desarrollarnos como cooperativa, cómo ayudarnos mutuamente, y todo para empoderar nuestra cooperativa. También, nos han dado toda la información necesaria sobre la parte de administración del negocio, incluyendo en el área de finanzas. Además nos han conectado a otras cooperativas para más entrenamiento, por ejemplo en OSHA y salud y seguridad en el trabajo.

En el movimiento cooperativo se necesita más apoyo para crear más cooperativas. Por que así creando más cooperativas le damos más desarrollo a las personas que buscan trabajos. Especialmente en nuestros vecindarios y en las comunidades inmigrantes necesitamos estos apoyos de parte de los concejales que apoyan el movimiento y el crecimiento de las cooperativas.

Además de este apoyo, como cooperativas hecho por mujeres y comunidades inmigrantes que proveen servicios muy importantes en toda la ciudad, tenemos muchos necesidadse para estabilizar y crecer. Necesitamos más espacios físicos para nuestros negocios que sean asequibles. También necesitamos más fondos y apoyo financiero directo en forma de subvenciones y préstamos accesibles para pequeñas empresas y cooperativas de

trabajadores. Finalmente, siempre necesitamos más entretenimientos y más talleres porque como una cooperativa nos importa el crecimiento y desarrollo laboral de nuestros miembros.

La Ciudad debería enfocarse en los trabajadores domésticos y las industrias del trabajo doméstico. Industrias como la nuestra en la limpieza, por ejemplo, quedamos fuera del diálogo y, sin embargo, somos muy importantes para la ciudad y nuestra economía. Muchas veces trabajamos sin ningún beneficio ni reconocimiento. Formar una cooperativa nos ayuda a elevar los estándares en estas industrias, pero necesitamos que la ciudad preste atención y brinde un apoyo especial a las buenas pequeñas empresas en estas industrias de trabajo doméstico también.

ENGLISH:

Good afternoon members of the New York City Council and members of the Small Business Committee. My name is Elizabeth Ruiz. I am a member of the Progressive Cleaning Cooperative, a new cooperative that launched this year.

This cooperative was created in the middle of a pandemic that affected many of us, especially in the area of employment. We are 6 people, 5 women and 1 man and all in the situation of not having a job at the moment. We brought this group together to create this cooperative because we believe cooperatives are successful and great.

The organization, Urban Upbound, funded by the WCBDI initiative, taught us all about what a cooperative is, how to develop as a cooperative, how to help each other mutually, and everything to empower our cooperative. Also, they have given us all the necessary information on the administrative part of the business, including in the area of finances. They have also

connected us to other cooperatives for more training, for example in OSHA and occupational health and safety.

More support is needed to create more cooperatives in the cooperative movement. By creating more cooperatives we give more development to people looking for employment opportunities. Especially in our neighborhoods with immigrant communities we need this support from Council Members who support the movement and growth of cooperatives.

In addition to this support, as cooperatives made by women and immigrant communities that provide very important services throughout the city, we have many needs in order to stabilize and grow. We need more physical spaces for our businesses that are affordable. We also need more funding and direct financial support in the form of affordable grants and loans for small businesses and worker cooperatives. Finally, we always need more training and more workshops because as a cooperative we care about the growth and workforce development of our members.

The City should focus more on domestic workers and domestic work industries. Industries like ours in cleaning for example, are usually left out of the dialogue and yet we are so important for the city and our economy. Often we work without any benefits or recognition. Forming a coop helps us raise standards in these industries but we need the city to pay attention and provide special support to good small businesses in these industries of domestic work as well.



EVERGREEN

Your North Brooklyn Business Exchange

Testimony of Evergreen to NYC Council Committees on Small Business and Economic Development March 17, 2021

Evergreen Inc.: Your North Brooklyn Business Exchange is a membership organization that champions manufacturing, creative production, and industrial service businesses in North Brooklyn and beyond. I would like to highlight the recent work that our organization has accomplished through the Industrial Business Zone (IBZ) program, both before and during the COVID emergency, and request that additional funding be allocated for the program citywide to assist in our efforts to build small businesses back in a post-COVID recovery. If COVID taught us one lesson, it is that a vibrant local industrial sector is not just important for economic development, it is an imperative to ensuring public health and welfare. By facilitating an uninterrupted food supply for the city and demonstrating the ability to produce protective gear for essential workers on short notice, the industrial sector has proven equally crucial in good times and bad.

North Brooklyn is home to over 1200 industrial businesses with over 15,000 employees, representing approximately 14% of NYC's manufacturing base. The vast majority of these small businesses are suffering; most suspended operations and furloughed most or all employees during the shelter in place order. Since so much of the manufacturing workforce lives locally, the economic health of these businesses is directly related to the economic health of the local residential community. Evergreen has adjusted the services we have been providing to our businesses since we were last in the office on March 13, 2020. Generally speaking, our COVID related business assistance includes:

- Assisting businesses in applying for direct relief from city and state grant and loan programs, Federal grant and loan programs and private grant and loan programs
- Daily crisis communications with small businesses
- Hosting informational webinars on human resource and other issues impacting small businesses
- One on one assistance for businesses understanding if they are essential, assistance in applying to NYS for essential designation
- Research and reporting on available relief programs, hosting informational webinars on relief programs
- Matching manufacturers with NYCEDC and DSBS teams to repurpose factories for PPE production
- Aggregating and promoting both employment and volunteer opportunities

Some of the businesses we serve are the ones that SBS assigned to our organization from 311 calls and other SBS channels that came in citywide, but many more are coming in from our own constituent base. In order to make sure that our businesses have the most up to date COVID information and to continually remind them we can assist with many of the issues they are facing, we have been concentrating on writing informative articles and assembling pertinent resources for our business and circulating them in our daily eblast which goes out to about 1500 businesses. We get many requests for assistance in response to our newsletter articles. It has been a really effective and important way for us to be proactively serving our firms throughout this crisis.

In early Summer 2020 we surveyed our businesses to determine Evergreen's effectiveness. The preliminary results are encouraging; all of the respondents applied for some sort of COVID relief and 93% were approved for an award.



EVERGREEN

Your North Brooklyn Business Exchange

All respondents noted that they learned about relief programs from our eblast, and 75% received direct assistance in applying for programs from our team. Respondents rated Evergreen's assistance to be very helpful to their business. We got many comments; here are two examples:

"It was not only immensely helpful but very reassuring that I wasn't missing out on opportunities simply because I wasn't in the know. It has been really helpful to have one email to look at to feel covered in terms of the latest updates and opportunities. Thank you so much. "

"Mostly I think getting the orderly emails with trusted info was the most helpful thing! When speaking to friends about different programs it seemed that everyone was getting a lot of different information, but I trust Evergreen to give concise and clear instructions and just found it helpful to have a trusty source of information through all of this."

We know that our work has continued to matter to our businesses. Through heroic efforts on the part of funders and staff we were able to host 10 multi-week skills building seminars in 2020. While it is clear that the seminar participants were significantly affected by the pandemic leading to an 8% average decrease in year over year revenue (ranging from 150% increase to 80% decrease with a median of 10% decrease) and a decrease in the percentage of profitable businesses year over year, none of the businesses in our programming had to close due to COVID and many were able to maintain robust employment numbers. In a survey of all of our local businesses we saw that declines in revenue ranged from 7%-75% with an average percentage decrease of 34%. Clearly, businesses involved in our seminars fared much better than the general business population.

Similar to the general population businesses we serve, most of the seminar businesses that exhibited an increase in revenue had established Business to Consumer relationships and an existing ecommerce presence. It is noteworthy that virtually all of the \$ investment attracted (\$4.57 million) was COVID relief related: PPP, SBA EIDL, NYC BCL and assorted grants. Only \$110,000 was other debt financing- \$100K in a SBA 7a loan and \$10K in equipment financing. 86% of the businesses received some sort of pandemic relief but the amounts vary widely with the highest amount at \$835,000 and lowest at \$1,000 with a median of \$75,000. We are sad to report that the 14% that did not are all underrepresented founders- minority or female. We know our work matters, and we know that in 2021 we will have much more to do to contribute to a truly equitable economic recovery.

In better times, Evergreen serves as the voice for businesses in industrial North Brooklyn. We represent their interests at public hearings and community meetings. We bring elected officials, like the membership of your City Council committees, to meet our businesses and their employees so you can really understand the impact of the policies you develop. We advocate with City, State and Federal officials to help them understand the impact of the Superfund process on the local economy, and we educate the local businesses about how the process might affect them. We continue to serve as the connection between the business and residential community for a variety of issues such as vehicle safety and truck routes. In addition to broad-based efforts, we work with individual businesses to navigate government agencies to resolve a variety of issues such as permits, tickets, graffiti removal, illegal dumping, utilities and signage. We are able to accomplish these outcomes for our local businesses as a result of our longstanding relationship within the local business community.



EVERGREEN

Your North Brooklyn Business Exchange

In 2019, Evergreen staff served 205 individual businesses. We helped 8 North Brooklyn businesses qualify for 9 loans totaling \$1,017,112 in financing for working capital, to purchase new equipment or to invest in the renovation of their facilities. We purchased a 10,000 square foot building on Stagg Street which we will develop and lease out to several small manufacturers at below market rates. Additionally, we managed 22,400 square feet of affordable industrial real estate to retain more manufacturing jobs in our community. Staff helped 23 businesses navigate government agencies 35 times resulting in 9 successful outcomes. Throughout the year, 88 firms sent 140 attendees to our social mixers, 73 firms sent 97 attendees to our informational workshops, 35 companies sent 38 attendees to our multi-week seminars and 56 firms received one-on-one assistance from Evergreen staff on over 93 issues.

Evergreen's programming meets the needs of North Brooklyn's underserved small industrial businesses, particularly manufacturers helmed by minorities and women. Our community needs the good-quality, industrial jobs that these firms provide. Nearly 40% of the North Brooklyn industrial workforce lives in the local area. These jobs, on average, pay residents 73% more than local retail establishments. Additionally, over 60% of manufacturing jobs offer benefits, compared with 30% of service jobs. Also, these jobs frequently do not require English proficiency or advanced education. Fifty-five percent of the local industrial workforce is foreign born and 65% is non-white. Considering 20% of our local residents do not speak English, 31% live at or below the poverty line, and nearly 37% are on some form of public assistance, these jobs offer the best path to economic security for our community residents.

Appropriate levels of funding for the IBZ program will ensure that we will be able to serve the many businesses that rely upon us for advice and support. Through the IBZ program, Evergreen is the portal for local industrial businesses to access city and state programs designed to help them. They rely on our expertise and relationships to help their firms grow in the community. We're their friend and confidant, and they feel good about us. As a 39-year old membership organization, Evergreen leverages the longstanding relationships it has with local businesses to promote and enroll firms in new public programs, ensuring their success. As an independent 501(c)(3) nonprofit, Evergreen is able to augment city investment with donations from individuals and foundations, producing more bang for the buck. Additionally, IBZ funding for administrative overhead allows us to put other public and private funding investments (such as Deputy Mayor Thompson's Employee Ownership initiative and capital grants for real estate development) straight into program delivery. Finally, Evergreen is an integral member of the community, and can serve as a liaison between local businesses, residents and city and state agencies when issues arise. We keep close tabs on the business community, and are able to quickly produce data for city staff as it is needed.

Thank you for this opportunity to discuss how we are able to nurture jobs in our community through the Industrial Business Zone program, and thank you again for your support.

Testimony of Randy Peers, Thomas Grech, Jessica Walker, Linda Baran, and Lisa Sorin

On Behalf of

The Five Chamber Alliance

Before the

***New York City Council
Committee on Small Business
March 17, 2021***

We want to thank Chair Gjonaj and the rest of the committee members for the opportunity to submit testimony for today's hearing. The COVID-19 pandemic and economic shutdown has caused significant business closures, financial strain, and untold consequences that we do not fully understand at this moment. Best estimates indicate that as many as a third of businesses in communities throughout New York City have permanently closed.

The NYC Small Business Resource Network was launched in October 2020 as a collaborative partnership between the five borough chambers of commerce -- Brooklyn Queens, Manhattan, Staten Island and The Bronx -- as well as the Partnership for NYC and the NYC Economic Development Corporation (EDC), with funding by the Peterson Foundation. The program assists small businesses throughout the New York City in accessing free support and technical assistance for reopening and restarting their businesses which have been struggling due to COVID and the shutdown of the economy. The five chambers deploy a team of Business Recovery Specialists to connect small businesses to services including financing, marketing, technology and e-commerce, legal, PPE, M/WBE certification, general business counseling and regulatory assistance. In total there are 22 Business Recovery Specialists across the five boroughs. Using a case management approach, the Business Recovery Specialists connect these businesses to such resources and provides active follow-up to ensure the impacted businesses are receiving the critically needed support.

Business Recovery Specialists are assigned based on the size of each borough and its number of small businesses -- Brooklyn, Manhattan and Queens are assigned five Business Recovery Specialists each, and The Bronx and Staten Island two each. There are three industry-specific Specialists who serve businesses citywide across all boroughs. One of the Specialist focuses exclusively on the restaurant and hospitality sectors and two others provide technology support and e-commerce solutions. We currently have capacity to serve businesses in over eight languages other than English, and as we continue to build out the program with NYC Council support, we will further expand our other language capabilities.

The NYC EDC manages a clearinghouse of free resources available in the above-mentioned areas which small business can access with a referral from a Business Recovery Specialist. Much of these resources are pro-bono or corporately donated resources specifically targeted to assist small businesses. Additionally, Community Development Financial Institutions (CDFIs), and other business technical assistance organizations and corporate philanthropic entities are also part of the clearinghouse.

The Five Chamber Alliance, the economic development arm of each NYC borough, connects small business owners to resources to help them sustain their businesses and help their communities thrive. The FCA assists businesses in developing comprehensive marketing and communication tools, helping them to develop and grow their business by use of technology. Additionally, we help businesses develop a solid workforce by tapping into the resources of the public workforce system.

These services also help businesses become vital parts of their communities by networking with other businesses to enhance relationship building and business sustainability.

With new funding from the NYC Council, the Five Chamber Alliance will expand the NYC Small Business Resource Network to focus on previously underserved commercial corridors in each borough, including areas that are not served by a Business Improvement District, Local Development Corporation or merchant association. The Peterson Foundation grant ceases in October 2021 and we are hopeful that the grant will be renewed. A commitment of support by the City of New York will represent leveraged funding and increase the likelihood of a Peterson grant funding renewal.

The addition of NYC Council funding will enhance the chances of extending the private funding while increasing services provided to small businesses and will ensure that the Five Chamber Alliance has an adequate number of Business Recovery Specialists on staff to serve neighborhoods across each borough. The program will operate year-round, each weekday and selected weekends. It is anticipated that a minimum of 20,000 businesses will receive additional assistance through this support. **The Five Chamber Alliance respectfully requests \$2,000,000 for this new initiative.**

I look forward to working with the Council to ensure that this important initiative receives the funding it needs to get off the ground.

Thank you,

Randy Peers, Brooklyn Chamber of Commerce
Thomas J. Grech, Queens Chamber of Commerce
Jessica Walker, Manhattan Chamber of Commerce
Linda Baran, Staten Island Chamber of Commerce
Lisa Sorin, Bronx Chamber of Commerce





TESTIMONY

Preliminary Budget Hearing:

“New York City’s Worker Cooperative Business Development Initiative:
Worker Cooperatives - An Essential Model for Business Sustainability and Recovery

Presented to

New York City Council, Committee on Small Business

Hon. Mark Gjonaj, Chair

Wednesday, May 17, 2021

Prepared By:

Gale Johnson, Founder, and Worker-Owner
Hopewellcare ChildCare Cooperative

Hopewellcare Childcare Cooperative

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<http://www.hopewellcare.coop/>

Good afternoon, Chairperson Mark Gjonaj, and distinguished members of the Committee on Small Business of the New York City Council. My name is Gale Johnson. I am a member of Hopewellcare Childcare Cooperative. I am also here on behalf of the NYC Network of Worker Cooperatives. (NYC NOWC)

I am an immigrant worker who has been a Nanny for many years. Our cooperative is made up of immigrant, Black, indigenous women of color. We formed our cooperative so that we can create employment for our members as well as mutual support on the job. With our cooperative there are certain basic standards that we ask our clients to adhere to in order to ensure that we are all treated fairly, while at the same time providing a much needed service for all communities across New York City.

Through the Worker Cooperative Business Development Initiative, we have received important services and trainings, including legal support from TakeRoot Justice, trainings on technology such as using zoom and other online applications, and other industry training in health and safety, or childcare. Carroll Gardens Association has been our incubator and continues to support us with our daily needs .

Since child care is not a job you can do socially-distanced, the cooperative has experienced a lot of changes during the pandemic with some clients moving away or others not needing services. For those lucky enough to have jobs at the moment, they are more stressful because the kids are always at home, and need extra educational support such as supervision for their zoom sessions. Because we are a cooperative, we have not laid off any members during a time like this. Instead we provide emotional support for members with regular check-ins; we secure donations and give out care packages with food and veggies, clothing,

and PPE. In addition, we have worked to get small grant funds for members from allied organizations like NDWA and NYC NOWC.

Worker cooperatives are a part of United for Small Business NYC (USBNYC) Coalition. We are pushing for long term commercial rent stabilization to prevent businesses from being displaced especially in this moment. In addition, we hope that the important Commercial Lease Assistance (CLA) program is put back into the city's budget.

In addition, as cooperatives, it's hard for us to access loans and financial supports. We believe the city should do more to provide grants and loans to small businesses including worker cooperatives in need. It is for this reason that we also support the creation of a public bank, so that the city can be investing public dollars back into communities and small businesses. We hope you can support Intos 2099 and 2100. Finally, we also hope that the city will support education and TA for community land trusts to ensure that there is permanently affordable and community-controlled housing and commercial space.



TESTIMONY

Preliminary Budget Hearing:
“New York City’s Worker Cooperative Business Development Initiative:
Worker Cooperatives - An Essential Model for Business Sustainability and Recovery

Presented to

New York City Council, Committee on Small Business
Hon. Mark Gjonaj, Chair
Wednesday, May 17, 2021

Prepared By:

Ruth Lopez Martinez, Founder, and Worker-Owner
Pa'lante Forward Green Cleaning

Pa'lante Forward Green Cleaning

PO Box 721199; Jackson Heights, NY 11372

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Buenas tardes al presidente del comité, Mark Gjonaj, y distinguidos miembros del Comité de Pequeñas Empresas del Concejal de la ciudad de Nueva York. Mi nombre es Ruth Lopez Martinez. Soy miembro de la Cooperativa Pa'lante Green Cleaning.

Somos una cooperativa de mujeres e inmigrantes en la industria de limpieza residencial comercial, y pos construction. Tenemos 5 años de estar en el mercado. Nacimos en Jackson Heights. Antes de la pandemia, teníamos un crecimiento bastante considerable donde los dueños-trabajadores recibíamos salarios justos con los cuales podíamos solucionar nuestro problemas en este país y ayudar a nuestras familias en nuestros países de origen.

Sin embargo es bien sabido por todos, la pandemia ocasionó un derrumbe en la economía entera, y eso nos incluye a nosotros/mi coopereativa palante y a las demás coops. Afortunadamente en este año largo de la pandemia hemos tenido el apoyo de la iniciativa de WCBDI en la parte de capacitación para aprender a manejar esta pandemia, dandonos apoyo tecnológico, apoyo en administración de clientes y con la publicidad, y aprendemos usar zoom para hacer nuestras reuniones entre miembros y clientes. Sin embargo, nada ha sido suficiente porque hemos perdido más del 50% de nuestros clientes. Lo que significa que nuestros ingresos bajaron.; Perdimos nuestro espacio físico por no poder pagar una renta durante este tiempo.

Es por eso que creemos que necesitamos un apoyo mayor para salir de este estancamiento que tenemos en este momento. Además de WCBDI, necesitamos espacios comerciales asequibles donde podamos desarrollar nuestras actividades y atender a nuestros clientes. Este espacio asequible nos lleva a tener rentas estabilizadas para que los negocios no tengan que irse de sus espacios físicos por no tener como pagarlo. Necesitamos que el programa de Asistencia con Los Leases Comerciales continúe para dar apoyo legal a los negocios

pequeños propiedad de inmigrantes y personas de color y bajos ingresos para que puedan quedarse en su lugar especialmente durante este tiempo.

Por último, necesitamos más apoyo financiero directo en forma de subvenciones y préstamos accesibles para pequeñas empresas y cooperativas de trabajadores. Las cooperativas, como muchas pequeñas empresas, enfrentan barreras para acceder a préstamos tradicionales. En este momento, necesitamos más subvenciones de emergencia y oportunidades de préstamos flexibles para que nuestros negocios puedan sobrevivir en estos tiempos.

Espero que la ciudad pueda continuar apoyando a WCBDI, ayudando a las empresas a mantener *leases* asequibles para que no sean desplazadas y brindando un apoyo financiero más directo a las cooperativas y empresas en este momento. Muchas gracias por la oportunidad de testificar.

ENGLISH:

Good afternoon to committee chair Mark Gjonaj and distinguished members of the New York City Council's Small Business Committee. My name is Ruth Lopez Martinez. I am a member of Pa'lante Green Cleaning Cooperative.

We are a cooperative of women and immigrants in the industry of commercial, residential and post construction cleaning. We have been in the market for 5 years. We were born in Jackson Heights. Before the pandemic, we had quite a considerable growth where owner-workers received fair wages with which we could solve our problems in this country and help our families in our countries of origin.

However, it is well known by all, the pandemic caused a collapse in the entire economy, and that includes us / my cooperative Pa'lante as well as the other worker cooperatives. Fortunately, in this long year of the pandemic, we have had the support of the WCBDI initiative, which has provided us trainings to learn how to handle this pandemic, giving us technological support, support in customer attention and with advertising, and we have learned to use zoom to make our meetings between members and clients. However, nothing has been enough because we have lost more than 50% of our customers, which means that our income went down significantly. We lost our physical space by not being able to pay rent during this time.

That is why we believe that we need more support to get out of this stagnation that we have at the moment. In addition to WCBDI, we need affordable commercial spaces where we can do business and serve our customers. This affordable space leads us to the need for stabilized rents so that businesses do not have to leave their physical spaces because they cannot afford it. We need the Commercial Lease Assistance (CLA) program to continue to provide legal support to small, low-income, immigrant-owned businesses and people of color so they can stay in place especially during this time. We hope that it can be restored in the budget.

Finally, we need more direct financial support in the form of grants and accessible loans for small businesses and worker cooperatives. Cooperatives, like many small businesses, face

barriers to accessing traditional loans. In this moment we need more emergency grants and flexible loan opportunities so that our business can continue to stay afloat in these times.

I hope that the city can continue to support WCBDI, help businesses keep affordable leases so that they are not displaced, and provide more direct support for cooperatives and businesses in this moment. Thank you very much for the opportunity to testify.

Letter to City Council      

Dear Friends,

We have a terrible situation in both buildings in Williamsburg as do many landlords.

We got an inspection on Dec 29th, 2020 that was mandated in LL152 and now the city expects us to make the repairs in this report by my trusted plumber by April 15 (before the extension was granted) and at the latest June 30th or we get a \$10,000 fine PER BUILDING!

So now we are about to get penalized \$20,000 by the DOB unless we come up with \$45,000 (another \$1300 a month in Debt service) to complete the Gas line replacement within 6 months of receiving the inspection results. This year, we kept all of our tenants in their homes, this year by reducing rents by HALF for the unemployed, and being lenient with other tenants.

Recently their lateness seems to be due to the “Covid Hardship letter” from State Senators that went out to every tenant almost encouraging them to not pay rent. They expect the rent to be cancelled.

We would like to request that the Community Board repeal LL152 or at least revise it to allow homeowners time to plan for HUGE REPAIRS to gas piping.

We just spent \$85,000 on emergency repairs at 362 Grand st and I'm now paying these credit cards off. My tenants are suffering and three apartments are at 1/2 rent and another is 3 months behind. I have been providing rent relief because I believe that our city will rebound.

Omar Hakim and I are touring musicians homeowners and we are not able to work due to to Covid Restrictions. We don't have our normal touring income nor studio work.

Most homeowners need to plan a major expense like this. A sudden outlay of \$15,000+\$28,000 Is difficult to come up with when tenants are shaky at best and we are unemployed.

Most homewoners that are small landlords will need an extension of at least a year to complete these repairs. We have no gas leaks and it seems that we won't for many years to come.

Can we meet with the City Council and the Commissioner regarding this matter?

Small landlords are barely surviving Covid this year.

Thanks so much,

Rachel Nicolazzo and Omar Hakim

Letter from our Plumber
Good morning Rachel.

6/30/2021 is the deadline. However, what that means is that the repairs, the inspection(s) and the new GPS-2 Form must all be completed and submitted by no later than that date. Each building should take between two to three weeks including permit filing, the physical work, the DOB inspection and the restoring of the gas. So to be safe, I would say to start at no later than the 1st week of April. We would start with 236 S 3rd street first, being that it is the biggest

project of the two. Once we have completed that work and requested our inspection, we can then submit for the permits for 362 Grand street. While we commence at 362 Grand street, the gas at S 3rd should be restored which means we can then submit the GPS-2 Form for that building. All we would have left then would be 362 Grand street which we will have to go through the same process. By doing what and how I have explained we will be well within the DOB timeframe and regulations.

Sent from my Bad Bunny Phone
Peace and fortune 2u,

Rachel Z Hakim
Technologist, Keyboardist, Pianist, Futurist
Ozmosys Band #EyestotheFuture
<https://ozmosysband.com/>
Ozmosis Media Group
The Trio of OZ
RachelZ.com
@RachelZmusic Twitter, Facebook, Instagram
@OzmosysBand Twitter, Facebook, Instagram

Master Plumber Arsen Barolli

Detailed Timeframe Proposal Local Law 152

\$15,000 grand st

\$29,000 s3rd st

Good morning Rachel.

6/30/2021 is the deadline. However, what that means is that the repairs, the inspection(s) and the new GPS-2 Form must all be completed and submitted by no later than that date. Each building should take between two to three weeks including permit filing, the physical work, the DOB inspection and the restoring of the gas. So to be safe, I would say to start at no later than the 1st week of April. We would start with 236 S 3rd street first, being that it is the biggest project of the two. Once we have completed that work and requested our inspection, we can then submit for the permits for 362 Grand street. While we commence at 362 Grand street, the gas at S 3rd should be restored which means we can then submit the GPS-2 Form for that building. All we would have left then would be 362 Grand street which we will have to go through the same process. By doing what and how I have explained we will be well within the DOB timeframe and regulations.

Rachel Z. Hakim and Omar Hakim
236 South 3rd Street Apt. 1
Brooklyn, NY 11211

To: SBA Committee on Small Business
Via: Email

Good Afternoon Chair Gjonaj and members of the Committee on Small Business.

Here's another reality of what's going on in our community due to the pandemic.

Many small landlords like us are barely surviving Covid this year. Small Landlords are small businesses too! We are not like the giant corporate landlords that own many many buildings throughout the boroughs of NYC.

We have been providing rent relief to our tenants in need because we believe that our city will rebound.

As property owners of 2 buildings in Brooklyn, we have a terrible situation at our properties in Williamsburg as do many small landlords in our community and other areas in Brooklyn.

We got an inspection on Dec 29th, 2020 that was mandated in LL152 and now the city expects us to make the repairs in this report by our trusted plumber by April 15 (before the extension was granted) and at the latest June 30th or we get a \$10,000 fine PER BUILDING!

So now we are about to get penalized \$20,000 by the DOB unless we come up with \$45,000 (another \$1300 a month in Debt service)

to complete the Gas line replacement within 6 months of receiving the inspection results. This year, we kept all of our tenants (The 20 Sided Store, musicians, video artists, and working people) in their homes, by reducing rents by HALF for the unemployed, and being lenient with other tenants. We rely 100 percent on rent to pay the mortgage. If tenants default we would lose our home and life's work in investments.

As SBS Commissioner Jonnel Doris stated earlier in this meeting, "fines and fees" must be reduced to make NYC more conducive to business who have been invested in our neighborhoods.

The Pandemic has created a situation where many people are out of work. These people have had a tough time keeping up with their rent and monthly bills. Omar Hakim and I are touring musicians and homeowners. We are not able to work due to Covid Restrictions. We don't have our normal concert touring income nor studio work. We just borrowed on credit cards \$85,000.00 on emergency repairs at 362 Grand St and are now paying those credit cards off. Our tenants are suffering and three apartments are at 1/2 rent and another is 3 months behind.

On top of that, recently many of the tenants late rent payments seems to be due to the "Covid Hardship letter" from State Senators that went out to every tenant almost encouraging them to not pay rent. They expect the rent to be cancelled. Please note- we have committed to agreements with our tenants to NOT collect rent arrears for the apartments who are paying 1/2 rent.

The fact of the matter is... Most homeowners need to plan a major expense like this. A sudden outlay of \$50,000 Is difficult to come up with when tenants are shaky at best and we ourselves are unemployed.

Most 3 and 4 family homeowners are small landlords who will need an extension of at least a year to complete these repairs. Although we have no gas leaks at this time and it seems that we won't for many years to come, we do realize that this mandate is important to our city for safety reasons. But it must not create hardship and be a crushing blow to the some of the very people that LL152 seeks to protect!

Therefore, we would like to request that the Community Board revise implementation of LL152. In the light that 1 and 2 family properties are already exempt from this law, we seek an exemption for all buildings that are 3 and 4 families as well. We also seek funding for small landlords to do these mandated gas line repairs. We request that proper letters of notification from the DOB be sent out about new rules. We need safeguards in place to allow homeowners time to plan for HUGE REPAIRS to gas piping. NO interest loans and Grants are needed to protect low to moderate income Landlords who lovingly built these communities.

Thanks so much,

Handwritten signature of Rachel Nicolazzo in black ink, written in a cursive style.Handwritten signature of Omar Hakim in black ink, written in a cursive style.

Rachel Nicolazzo and Omar Hakim

My name is Marvis Burns and I'm the co-owner of a family-owned small business, My Wellness Solutions. We are a holistic health practice with two locations 30+ staff members and thousands of customers in New York and around the country.

We're currently in a commercial lease with a Slum landlord in Manhattan's 125th prized corridor. Despite having an MBA from arguably the world's best institution, I had no clue how to handle negotiating my first commercial lease. Opting to save money, I leveraged a colleague that's an attorney and understands the law. We went through the contract and assumed we were setting my business up for success.

Five years later, I realized it was the worst mistake we've made in our business. The issues we deal with (rodents, busted pipes, excessive tax bills, unresponsiveness, business shutdowns, etc.) CONTINUE to hunt us in our first Manhattan Location.

TakeRoot has been the silver lining in all of this as we gear up to sign a new lease with another landlord hoping to avoid the mistakes we made with our current landlord. The team at TakeRoot helped us go through a 35 page lease, understand what should / shouldn't be in the lease, connected us with other tenants, and just really guided us through this process. In thinking about the numerous work hours we've likely billed, there's no way we would have been able to accomplish this much without this public assistance.

New York Landlords have maintained the upper hand, hired some of the most expensive landlord-focused attorneys that bury unfair practices behind legal jargon and excessive wording. Again, I'm just thankful to have had access to TakeRoot specifically. Our counsel has poured so much knowledge into us, taken our calls at the END of night, and ensured we're on the right page.

This program is a blessing and if we're to find a way to shift the balance of power to just be more equal for tenants, then we have to continue pouring aid into this program. Without it, tenants may be tricked into legal agreements that show very little regard for good business as these landlords primarily seem to prioritize ONLY profit. We're supposed to be partners, but that's not how most landlords view us. It's survival of the fittest, and unfortunately, they have the deeper pockets. So, please let's continue to level the playing field! Continue to fund this program and attract top-rated attorneys like those at TakeRoot!

Kindly,
Marvis Burns
Proud small-business owner

My name is Ayanna, I live in the Bronx, New York, and I am with Cayuga Centers. My Fair futures specialist is Ms. Carole Singleton. Ms. Carole is someone who I can truly say is in my corner and has been for the past couple years I have been in care. Through my final year of high school, she has been by my side, cheering me on and ensuring that my transition to college was a smooth one. Ms. Carole put me in touch with tutoring to make sure my scholarship applications were done correctly, she made calls nobody else would and got in touch with whoever she needed to make sure everything was set for me. My freshman year was nearly seamless thanks to her help. If there were any bumps in the road she was right there to make sure everything turned out okay. This holds true to this day- where I receive weekly updates from Ms. Carole to ensure everything is going well with me. Whether it be through email, text or phone calls she takes whatever steps needed to be taken to make sure I'm okay. I am always receiving emails about funding opportunities for textbooks and scholarships where she cheers me and other college students on- reminding us of our strength and resilience. She also highlights our achievements such as getting accepted into colleges, having great attendance and pushing to continue our educational journeys. It makes the world of difference seeing someone who genuinely cares especially given the current circumstances. Her actions exhibit how she truly cares about my well-being and success throughout my college career and beyond. It does not even have to be school related; she always offers an ear to listen if need be. She mentors me in all walks of life, even with our shared interest in art. Your dedication to my overall wellness is unmatched and never left unseen. It is safe to say I am not sure where I would be without you and all your advocacy for me and my future.