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The City of New York
Community Board 8 Manhattan
Small Business Committee
Monday, February 7, 2022 – 6:30 PM
This meeting was conducted via Zoom

MINUTES:

Board Members Present: P. Gayle Baron, Michele Birnbaum, Alida Camp, Sarah Chu, Valerie Mason, and John Philipps

Public Members: Cortney Bond and Maureen Donohue

The Small Business Committee hosted Small Business Services Commissioner Kim and Council Member Julie Menin. CM Menin was recently appointed Chair of the City Council Small Business Committee.

CM Menin is focused on reducing fines for small businesses and taking other actions to support small businesses. COVID has led to the closure of over one-third of businesses, making plans to assist them essential.

Commissioner Kim was introduced. Commissioner Kim and Deputy Mayor Maria Torres as cochairs of an inter-agency working group with focus on fines, are looking first at the top 25 fines on small businesses. Cure periods and eliminating certain fines would help small businesses, looking at different geographical districts. SBS is seeking to improve public safety through economic recovery, in reopening and launching businesses.

Questions and comments from the public and the Board related to:

- **Fines.** which merchants have complained about and to which they have attributed closures.
- **SLA Issues.** Whether the SLA could speed up liquor licenses. The pandemic has lengthened delays, but the SLA is allowing temporary retail permits in NYC, which have previously been allowed through NYS. But, there are restrictions such as within 500 foot rule. Previous businesses must have a license within the last two years. And, a new rule allows approval pending C of O from DOB. Too long a time to get SLA second license when they have information from application for first license. In response, the Commissioner noted that the SLA will go to an online system for applying, rather than the current paper-based system. There's also a belief that the temporary retail license will help mitigate delays.
- (Commissioner Kim, with expertise based on his past work for the SLA, is drawing up a list of easy fixes, although some must come from NYS legislature).
- **Rent.** Concerns were expressed that increased rents on small businesses put small businesses out of business. Can commercial rents be regulated? CM Menin noted a bill before the Council that

is a rent regulation bill. Previous CM Levin set up a structure for small business rents similar to residential rents.

- **One of the co-chairs raised the commercial rent tax as an issue.** CM Menin wants to roll back what she phrased as, and which is widely considered, an unfair and punitive tax that affects small businesses.
- **Restaurant trash and sanitation.** CM supports containerized garbage for which she will allocate funding. She has allocated funding for increased trash pickup, and more litter boxes on East 86 Street. The Commissioner talked about a successful system in Buenos Aires.
- **Non-uniform enforcement by DSNY for sidewalk trash and snow removal.** The Mayor issued an Executive Order for agencies to list issues where businesses are getting onerous fines, and then trying to eliminate those fines. CM Menin wants to codify those changes in fines. She also wants to know wherever there is selective enforcement in Council District 5.
- **Local Shopping.** The Madison Avenue BID pointed out new Madison Avenue businesses, and the need for local shopping. A co-chair asked whether there are plans to create maps to particular types of stores or neighborhoods. CM Menin noted the urgency of the problem and the necessity of using every tool to help small businesses. She also noted the importance of advertising and promoting, including a buy local, shop local, which the City hasn't supported sufficiently. Promotion and advertising were emphasized. This includes education about behavior of ordering online and the effect on small businesses. Ads and promotion saved small businesses after 9/11. Need to work with BIDS and cultural institutions. To help small businesses survive, a Shop Local campaign was suggested. Berkshire Bucks, for example, are used to encourage local shopping in the Berkshires. Could that be used to support UES shopping.
- **Loss of small business to development.** Developers are buying blocks of buildings that house small businesses. What can stop demolition of mom and pops. Second Avenue blocks, in particular, were cited. CM Menin cited Legacy Small Business in San Francisco that protects businesses that have been in business for a long time. In addition, the City must figure out how to protect small businesses from rent increases that force them out. Could there be a right to counsel for small businesses in landlord disputes. Would it be possible to have developers configure rental space to support small businesses. There was also a question about whether evictions have increased with expiration of eviction protections.
- **Deliveries.** Could there be a public version of Seamless that would avoid delivery fees. Commissioner Kim responded that governments do not do well with entrepreneurial efforts, but there are no cost, dignified deliveries through a not-for-profit for those who are food insecure.
- **Short-delivery-time grocery services are harming grocery stores, delis, and bodegas.** There could be a joint system to help mom-and-pops to compete. We need to be proactive.
- **Enforcement issues.** Enforcement inconsistencies are a concern for small businesses, particularly where one inspector approves a business' operation, but the subsequent inspector fines for a violation. SBS is not an enforcement agency, although it could work with small businesses on how to avoid fines.
- **Effect of Open Restaurant Program on Small Businesses.** Inequity with restaurants was raised as the Open Restaurant program benefits restaurants but not other types of small businesses.

Commissioner Kim recognizes that open restaurants are not supported in every community although restaurants provide a high percentage of jobs.

- **The balance of businesses in a community as restaurants are supported through the Open Restaurants program, and the potentially high rents charged for corner locations on which restaurants could have outdoor seating on both intersecting streets disfavoring rentals to bodegas and other small businesses was raised by one of the co-chairs.** Commissioner Kim recommended attending the City Council Open Restaurant hearing. A video of the hearing is available [here](#). Blocking visuals of small businesses by restaurant sheds was raised. A public member of the committee responded that the restaurant patrons view the small business while they are dining, possibly raising an interest in shopping or getting a service at the business. The need for customers to park to run in a store was also noted, citing a 60th street bodega that closed when bike lanes blocked taxi drivers' ability to park their cabs to run into the store. For Open Restaurants, there would be an effort for better and more uniform design of sheds. Enforcement will be easier and stronger if sheds are safe.
- **A Board member talked about the need for Community Boards and businesses to figure out the best way to move forward given the changes in business as a result of COVID.** While many support outdoor dining, he focused on needs for guidelines. The sheer number of restaurants, approximately 40,000, call for a focus on their needs, but helping restaurants will affect the vitality of other small businesses. Delivery is a much more important part of restaurant business. There is concern for equity for open restaurants who can't participate in the program because of their location.
- **A Board member noted that the new regulations would prohibit outdoor dining being in front of a neighboring business and also questioned whether outdoor space would have value for small businesses. Restaurants received federal grants, which were based upon revenue.** Therefore those restaurants who expanded illegally received more while those who couldn't expand received less, raising another issue of equity. When receiving grants of up to \$10,000, grantees have a lot of regulations but the fairness of the program is questioned. It wasn't given to very small businesses, raising the issue of a need for equity, particularly financially.
- **One of the BIDS recognized that there is a big disadvantage for restaurants who cannot participate in the program.** There needs to be equity in a continuing Open Restaurant program. A restaurant in the East 50's that takes up the sidewalk, limiting pedestrian access, was noted.
- **Suggestions.** Are there opportunities for small and large businesses to work together? Could large businesses support small businesses in some ways were questions raised by a co-chair.
- **Community Board as clearing-house.** A co-chair suggested that the Committee be a clearing-house for fines, to help businesses conduct business with expectations for City-required standards. A request to the public members who own restaurants to facilitate the ability of the Committee to serve as a clearinghouse for fines was made.
- The need for additional funding for small business was raised.
- There's a need for small business owners to understand the rules and requirements when opening and operating.

Resources:

CM Menin encouraged the public to contact her with ideas and suggestions.

There is a link to the Business QuickStart Program the Commissioner mentioned on the Small Business Committee page of the CB8 website.

The meeting was adjourned at 8:33.

Alida Camp and Valerie Mason, Co-Chairs