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The City of New York
Community Board 8 Manhattan
Small Business Committee
Thursday, September 4, 2025 – 6:30pm
This meeting was conducted via Zoom

MINUTES

Board Members Present: Bill Angelos, Michele Birnbaum, Alida Camp, Franco Denari*

**Public Member*

Approximate Number of Public Attendees: 10

Item 1: Join us for a Continuing Discussion of Commercial Rent Control. Speakers include State Assembly Member Emily Gallagher office and Catherine Murcek Small Business owner and NYC Network of Worker Cooperatives Advocacy Council followed by a short presentation from Support Specialist Shaun Pradhuman of the Manhattan Chamber of Commerce on resources.

State Assembly Member Emily Gallagher presented the proposed Storefront Rent Stabilization Act. Highlighting its aim to combat high vacancy rates and stabilize rents for small businesses against escalating costs. Cathleen Murcek, a small business owner and advocate, shared personal experiences, emphasizing the bill's importance for community and economic justice, and urged the board to consider a supportive resolution.

Key Points from the presentation as listed below:

Commercial Crisis Overview:

- NYC has lost over 1,000 small businesses annually due to rising rents and lease insecurity.
- Storefront vacancy rate has increased from 4% in 2007 to 11% today, with one-fifth of New York City storefronts are vacant.
- Retail rents have increased 22% in the last decade.
- 77% of immigrant small business owners report being overburdened by commercial rent.

Key Issues Highlighted:

- Small businesses face unregulated rent hikes that can double or triple lease costs at renewal, despite major investments in their buildouts.
- Many have closed due to financial pressure, eroding community character and contributing to high vacancy rates and chain store proliferation.
- The storefront registry data shows commercial rents increasing up to 50% in many outer borough neighborhoods, particularly affecting communities of color and low-income areas.
- COVID did not permanently lower rents, with rent now being higher than pre-pandemic levels.

Bill Proposal:

- Establish a Commercial Rent Stabilization Guidelines Board similar to the residential rent guidelines board.
- The board would set allowable annual rent increases based on data and economic conditions.
- Tenants in covered properties would have a right to lease renewal unless they violate lease terms.
- Proposed Board Composition:
 - 2 small business tenant representatives (not representing chains or franchise).
 - 2 small landlords (not representing large corporations or chains).
 - 4 public members, including a chairperson.
- Board decisions would be enforceable, and an enforcement agency would oversee compliance.

Goals of the bill:

- Prevent displacement of small, locally owned businesses.
- Stabilize communities and support cultural and economic diversity.
- Counteract rising vacancies and chain store proliferation.

The current political landscape:

- There is belief that the momentum within the State Legislature and Democratic Party is to support such anti-oligarchy, pro-small-business policies.
- Noted that mayoral support could play an important role in advancing the bill.

Q&A with Committee and Public Members:

- Asked what “teeth” the board would have to enforce its guidelines.
- Assemblymember Emily Gallagher responded that the board’s determinations would be binding like the residential Rent Guidelines Board. Violations would carry penalties, including repayment of overcharges and fines.
- Concerns were raised about:
 - Lack of details on specific allowable rent increase percentages.
 - How landlords would cope with rising operational costs.
 - The risk of destabilizing small landlords who might default if rents are capped.
- State Assembly Member Emily Gallagher clarified:
 - The bill first creates the board and framework, while rent percentages would be determined annually by the board.
 - Small landlords would have representation on the board to bring their concerns into decision-making.
 - The intent is to exclude large corporate landlords from board membership, though they would still be subject to the law if they own covered properties.
 - A two-way appeals process is anticipated.
- Asked State Assembly Member Emily Gallagher about:
 - Coordinating with City Council members on similar proposals.
 - Handling lease renewals if tenants are non-compliant.
- State Assembly Member Emily Gallagher responded:
 - She’s coordinating with several supportive city council members and has worked with the original city bill sponsor.

- Like residential rent stabilization, landlords could seek enforcement agency approval to terminate leases if tenants violate terms.
- Additional comments from State Assembly Member Emily Gallagher:
 - Explained that the state legislative session runs from January–June in Albany, when she will be focusing on building support for the bill.
 - Expressed interest in returning to CB8 in December to provide updates and gather feedback.

Catherine Murcek discussion on Commercial Rent Control:

- Catherine Murcek noted she has been working on this campaign for several years at both the city and state levels. She began organizing around commercial rent stabilization in 2019.
- Catherine has previously advanced a similar bill at the City Council level under Council Member Steve Levin. Where they gained support from a majority of council members, but the measure was not brought to a vote by Speaker Corey Johnson.
- She believes REBNY (Real Estate Board of New York) lobbying and concentrated landlord power to block the effort.

Catherine Murcek clarified the following terminologies:

- Commercial rent regulation – general umbrella term.
- Commercial rent stabilization – the approach proposed here (regulated, moderate annual increases).
- Commercial rent control – freezing rents; not what this bill proposes.
- She called on the community board to:
 - Consider passing a resolution of support (not tonight, but at a future meeting).
 - Contact elected officials to support the legislation.
- Provided campaign contact information and links to resources.
- Committee Co-Charis noted a resolution would not be considered tonight though discussion may resume at the December 2025 committee meeting.

Shaun Pradhuman presentation introduced the Small Business Resource Network (SBRN), which supports over 200,000 NYC small businesses at no cost and does not require chamber membership.

- Services offered:
 - Financial guidance and access to grants/low-interest loans (e.g. Start Small Think Big, Verizon Small Business Grant).
 - Business coaching and strategy (e.g. Harvard Business School Club of NY alumni).
 - Technology and marketing support (including free website and branding services).
 - Legal advice referrals.
 - Focus industries: restaurants, cafés, retail shops, delis, corner stores, and other small storefronts.
 - Shared examples of businesses receiving grants, free websites, and marketing support.
 - Requirements: NYC-based with fewer than 100 employees.
 - Chamber support is provided across Uptown, Midtown, and Lower Manhattan, with bilingual support available.
- Q&A Highlights
 - Most common needs: financing and marketing support.

- Loan amounts can range from \$5,000 to \$250,000, with terms varying by program.
- Can even assist with non-storefront small businesses (e.g., home-based services) and may connect to legal resources for specialized questions such as insurance requirements.

Item 2: Old Business – None discussed.

Items 3: New Business – None discussed.

The meeting ended at approximately 7:42 pm.

Bill Angelos and Alida Camp, Co-Chairs