



**Testimony of Borough President Eric Adams
New York City Council Committee on Small Business
March 2, 2021**

My name is Eric Adams and I am the Brooklyn Borough President, representing 2.6 million Brooklynites. I want to thank Chair Gjonaj and the members of the Committee on Small Business for the opportunity to submit written testimony in support of Intro 2233, A Local Law to amend the New York City Charter and the Administrative Code of the City of New York, in relation to adjusting penalties and allowing opportunities to cure for certain violations; and Intro 2234, A Local Law in relation to requiring the waiver and refund of certain civil penalties, and allowing additional civil penalty relief, during the COVID-19 pandemic. These bills are necessary now more than ever and will provide much-needed relief to our struggling small businesses through reform of onerous code enforcement and the waiving of thousands of pandemic-era fines. As I've long said, government should not be engaged in taxation through citation. This is even more true as we navigate the worst global pandemic in more than 100 years. In lieu of penalizing businesses, we should instead be focused on a regulatory environment that values proactive education over punitive measures, while at the same time holding egregious actors responsible when they put consumers at risk. While these two bills represent great strides forward in helping to address our small businesses in crisis, it is still not nearly enough.

According to a year-end survey of Brooklyn small businesses conducted by the Brooklyn Chamber of Commerce, one-third of all businesses polled said they owe some form of back rent. Only two percent said they were able to restructure or renegotiate their lease. Roughly 80 percent of the small businesses surveyed reported a year-over-year decline in revenue, while 85 percent said they laid off workers last year.

In addition to these important bills, we must safely and equitably reopen our economy sooner rather than later. For example, while the City has allowed gyms to reopen, we must also allow the safe reopening of boutique fitness, dance, Pilates, and yoga studios. Not doing so reeks of gender inequities since the latter institutions are largely owned and frequented by women while the former are owned and more frequented by men.

We must also continue to cap third party delivery fees to help our restaurants retain their hard-won profits. We must expand Open Streets and Open Storefronts, as well as ensure New York City assists in the operation of these successful programs. If government doesn't provide operational support for these programs and leaves all implementation to local, volunteer partners, these programs will become unsustainable going forward. Most importantly, we must have commercial

rent relief for thousands of small businesses across the city that are now multiple months in arrears and whose owners are wondering how they will ever stay in business.

Let me be clear, there will not be an economic recovery for New York City if 40 percent of our small businesses are allowed to fail. The City must begin treating our small business community as an ecosystem to be preserved and shored up at every turn, not simply another revenue stream to be taken advantage of. As we continue on the long road to recovery in the wake of the pandemic, it is critical that we make every effort to ensure that our small businesses come back strong.

Thank you.