

Transcript: Mayor Eric Adams Announces Reduced Burdens on NYC Small Businesses, Jumpstarts City's Economic Recovery

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Deputy Mayor Maria Torres-Springer, Economic and Workforce

Development: Good morning, everyone. We are so excited to be here today in Koreatown with partners in government, elected leaders, small business advocates and small business owners to announce bold steps we are taking to give our city's small businesses a fighting chance to not just withstand the impacts of the pandemic, but to really drive our economic recovery.

Deputy Mayor Torres-Springer: Now on day four of our administration, we made a promise to our city's small businesses. And today, we are following through. We are announcing an action plan to reduce and eliminate penalties for the more than 200,000 small businesses that call our city home. This is a plan that makes sure that the system is working with small businesses and not against them.

Deputy Mayor Torres-Springer: This is the type of plan that our small businesses have needed for far too long. This is a plan that is made possible because we have a mayor who has been crystal clear that government must be a partner and not an obstacle to small businesses. He's made it crystal clear that we needed to move swiftly and smartly to get it done. And so please join me in welcoming our mayor, Eric Adams.

Mayor Eric Adams: Thank you. Thank you Deputy Mayor Maria Torres-Springer and your entire team. And I did not come to this realization of the need to do this on my own. I came to it because of the people who are behind me. I've sat in their restaurants. Everyone knows I'm a nightlife mayor.

Mayor Adams: So I test the product and I go and to their restaurants, I go to their businesses. And I heard over and over again, the chambers, the nightlife leaders, I heard over and over again, how we were just in the way, the lack of clarity, the lack of understanding. And oftentimes, they just basically said, "Tell us what we have to do? Don't let one person tell us to do one thing, then someone else comes in the next day and tell us to do something else." We were just traumatizing these small businesses, and I just heard how much they were going through. And if you dig into the crevices of our small businesses, know what you're going to find?

Mayor Adams: You're going to find local employees. If you hurt a restaurant, you're hurting a cook, a dishwasher, a waiter, a busboy or girl. If you're slowing down a construction site, you're hurting a laborer, you're hurting a carpenter, an engineer. And this is what we were doing.

Mayor Adams: There was a disconnect between the city agencies and the actual people who we're hiring in our city. And Deputy Mayor Maria Torres-Springer came in with an amazing team here, our commissioners that are lined up together. We're so aligned with this. But the best part about it was when the agencies came to the deputy mayor with the first line of what they wanted to change, he said, "That's not good enough. You have to go back. You have to get deep, dig deeper and come up with a better product." And so I thank you, Deputy Mayor, for fully understanding the spirit of what we are doing. So we're going to get stuff done for small businesses.

Mayor Adams: And we're releasing the results of a massive multi-agency review of the way our city works with small businesses. We're unveiling reforms that will save small businesses approximately 8.9 million in fines and fees annually. For too long, we stifled the entrepreneur spirit in New York city. No one wanted to do business here. No one wanted to go through the bureaucracy.

Mayor Adams: No one wanted to be just humiliated day by day. Someone from the city walks into your business, you should not have agita. You should be there with the understanding that they're here to keep my doors open. They're our partners, but that's not what people were feeling. They were feeling just the opposite.

Mayor Adams: They were feeling that, "Oh my God, what are they going to do to take another dollar out of me?" Taxation through citation. That is not how we're going to run

this city. When you look at it, in January we sprang into action and signed executive order number two, small business forward.

Mayor Adams: And we have been keeping a close watch on producing a qualitative product for our review. And mandated, this executive order mandated a multi-agency review of existing rules and regulations with the goal of reducing fines, schedules, and allowing for cure periods or warnings for the first violation.

Mayor Adams: So we're not coming in right away and giving you a fine. For those non-emergency life threatening items, we're telling you, "This is wrong, fix it." We give you a period of time to fix it. Or if it's the first time you made the violation, we're going to allow you to correct the problem and not come down heavy handed on you. Because the goal is to keep your doors open.

Mayor Adams: And thanks to this executive order number two, we actively solicited feedback. We went out and we asked businesses, "Give us your feedback? How do we make it better? How do we ensure New York is a safe and you ensure that you're able to keep your businesses operating?" We did a online survey. We did round of communication with businesses, but we also spoke one on one with some of these businesses here.

Mayor Adams: These are small business owners. How many of you are small business owners? Raise your hand. These are small business owners. And the impact on the Black and brown community was unbelievable. What they were doing up in Washington Heights was decimated Washington Heights, Flatbush Avenue, Brooklyn, South Jamaica, Queens.

Mayor Adams: It was just clearly almost targeted enforcement on these communities. And so we listen to their feedback and produced a report that we are rolling out today. And this is only four months later. I know people like to believe that I was mayor for four years, but I've only been mayor for five months now, five months.

Mayor Adams: And so after only five months, this team with our Commissioner Kim and his team returned with the review that we are looking for. This will reduce fines for over 118 violation that affect our small businesses, including retail stores, restaurants, barbershop, nail salons, construction industry.

Mayor Adams: This is about not only reducing the burden of small businesses, but giving them the hand that they need in this cross agency change of doing business. This is a paradigm shift that we are accomplishing here to change the mindset of small businesses. I don't want to know how many fines you issued for non-life threatening items.

Mayor Adams: I want to know how many businesses you help open, how many businesses you were able to assist so they can keep their doors open to hire New Yorkers. Now we're going to continue to protect the health and safety of New Yorkers, but we could do it without being heavy handed to these small business.

Mayor Adams: So this city and our regulatory agencies, we believe in helping small businesses and we going to infuse that energy into what we do every day. It's about paving a way for the equitable treatment of small businesses that we talk about over and over again. And it's moving our city from the culture of no to the culture of, yes.

Mayor Adams: You can't start out all the time no, no, no. Let's start out with, yes. How do we get to yes? If there's an idea that's coming from a small business and we have never done it before, let's figure out how to get it to the culture of, yes. Listen, we're going to always follow the law, but I'm going to make sure the policies are done.

Mayor Adams: Don't tell me about policies that were done in the past. I'm the policy decider and my policies is about getting more money into my small businesses so they can hire more and pay into our tax space so that we can get our teachers, our firefighters, our police officers. That is how you generate a society.

Mayor Adams: And so this is going to be a city with a culture of yes. Early this month, I signed an executive order establishing a city first ever small business advisory commission. They will partner and continue to work with cutting the red tape, reducing fines and help keep our restaurants and entrepreneurs in compliance and in business.

Mayor Adams: Historically, we only focus on how do I keep you in compliance? We want to keep you in compliance and we want to keep you in business. Those are the things we're focusing on. Deputy Mayor Maria Torres-Springer also put out an important blueprint for economic recovery.

Mayor Adams: When we are launching a small business portal to help our businesses in the city and assembling an inter-agency task force to streamline business process and dramatically speed up, getting the doors, open the lights on, getting your gas on, getting you operating in a real way.

Mayor Adams: We're happy to have commissioner of department of buildings, Eric Ulrich, who clearly understands that it's about getting the gun, common sense, common sense. It's not about only dollars and cents, it's about common sense.

Mayor Adams: It is by far the most important thing we can do in this city. Now you said this before that, hey, we've heard this before. We've heard mayors come in and say they're going to streamline and make business easier. We've all heard it before. We got it. But no one has been more successful in the effort than what we are going to do. We have convened more agencies than ever. We deliver more reforms than ever. And we are going to save more dollars for small businesses than ever. This is a city that is going to work, we're going to expand and uplift our small businesses.

Mayor Adams: I'm excited about this moment and I cannot say thank you enough to all of these, my chambers, my business leaders, my civic groups, my organizations who have all come together for the last few years, have communicated with me, "Mayor, we need help," so we can keep the doors open. This is only the beginning. This is going to be a business friendly city where we encourage people to do business in New York. We want small businesses to operate and thrive and grow in New York City. So again, thank this important entire team for making this happen.

Deputy Mayor Torres-Springer: Thank you, Mayor Adams. Now, I'd like to invite someone who's been tireless in his work of small businesses across the five boroughs, really pounding the pavement every day. And I also know his mother, Sonya, is here watching. He's doing such a great job, Sonya. You should be proud of him. Our small business commissioner, Kevin Kim.

Commissioner Kevin Kim, Department of Small Business Services: Thank you. Thank you, Deputy Mayor Torres Springer, and thank you Mayor Adams for highlighting every day the critical role small businesses play in recovering our city from the pandemic. The last week might have been national small business week. Today's announcement makes it clear once again that under Mayor Adams, every week is New York City small business week. I also want to thank Mayor Adams for hosting this press

conference right here in Koreatown. Nearly 50 years ago, a young couple, my parents immigrated to this country from South Korea with two young children in tow and happened to open a small business a few blocks from here.

Commissioner Kim: Koreatown in the 70s and 80s was not a vibrant commercial corridor it is today and the success of Koreatown is really representative of so many New York City neighborhoods that have been transformed into destination commercial corridors thanks to the hard work of countless immigrants from around the world, pursuing their American dream right here in New York City.

Commissioner Kim: I want to thank all our sister agencies. We asked a lot of your time and effort, Dr. Vasan, Jessica, Eric. We asked a lot of you and you gave so much back. And so thank you for your collaboration. I especially want to acknowledge the extraordinary leadership of my co-chairs on this task, Deputy Mayor Maria Torres Springer, CEO, Chief Efficiency Officer Melanie Laraka, as well as the dedication and the countless hours of sleepless nights that Adam Foreman, Jenny Sobleman, and my First Deputy Commissioner, Jackie Mallon put in to achieve these significant gains for New York City businesses. So can we give them a round of applause please?

Commissioner Kim: Before I get into the numbers, I also want to recognize the small business owners standing here today, including Angela Ye and Tony Forte, owners of Coffee Uplifts People. We have [inaudible] business owner of [inaudible] and Levy Chickpea snack, which is vegan, mayor. [inaudible] Osorio, business owner of Mama Sushi. Jeff Garcia, business owner of [inaudible] Pizza and Monamore Coffee & Wine. George [inaudible] and Lauren Skeeter, owners of Contento. Jeff Lindor, founder of Gentleman's Factory and a member of our Black entrepreneur NYC cabinet. Kenneth Allen, founder of [inaudible] Partners, who's also a member of our BNYC cabinet. Zaid Naji, who also happens to be part of the Yemenese American Merchants Association. I want to thank all of you for taking time on a Sunday morning. I think we know you sacrificed a lot every day and to be here as well.

Commissioner Kim: I also want to acknowledge the representatives from the Chambers of Commerce, the bids, the merchant associations, industry partners, community leaders like Charles Yoon from the Korean American Association of Greater New York, since we're in Koreatown. In addition to the small business owners standing here today, as part of the process, we received direct feedback from almost 1,000 small business owners to hear about firsthand the impact of the penalties and enforcement

practices that New York City had. And we conducted listening sessions and connected with Chambers of Commerce, bids, merchants, associations, and industry partners. Our working group reviewed 232 violations to see how we could reduce the regulatory burden on small business owners.

Commissioner Kim: And today, as Mayor Adams has mentioned, we are announcing that as a result, city agencies will reform 118 violations saving New York City small business owners approximately \$8.9 million per year. Of those 118 reforms, the city will move to repeal 30 provisions and reduce civil penalties associated with 49 other violations. And we're instituting first time warnings, cure periods. We're expanding the timeline for cure periods for 39 other provisions. This is truly a historic overhaul, the most successful effort to cut red tape for small businesses by a mayoral administration in the history of New York. It's an investment in the entrepreneurial spirit of the city and our efforts are just the first step to fundamentally change the relationship that the city has with small businesses, as Mayor Adams emphasized.

Commissioner Kim: Small businesses need to know this administration has your back. Small Business Services has your back. And we are here for you. The interagency working group that collaborated on this will now shift its focus to lay the groundwork to improve and create a robust one stop business portal, which will allow businesses to save even more time and money. And we will continue to build on this progress in partnership with small business leaders through the recently announced Small Business Advisory Commission. And it's all part of the bigger picture to reimagine the processes for permitting, licensing, violations, and payment to ensure New York City is truly the most small business friendly city in the nation.

Commissioner Kim: Finally, I'm just proud to be here with the broad coalition of small business owners, industry partners, elected officials, to deliver on Mayor Adams' vision for an equitable economic recovery. Thank you.

Deputy Mayor Torres-Springer: Great job. Thank you, Commissioner Kim. Before I introduce our next speaker, I do really want to acknowledge Commissioners Vasan, Tisch, and Ulrich from our major regulatory agencies. The mayor knew from the very beginning that as much as Kevin and I love small businesses, that if it was just the two of us in a conference room, we weren't going to get anything done. That it really needed the leadership and support of the entire government and really understanding that we don't have to make a choice between public health and safety and small businesses.

That we can, and that we must do both. And so thank you for being here for the work of your team and your brilliance and courage and creativity.

Deputy Mayor Torres-Springer: We're going to need more of that in the weeks and months to come. And so now, I'd like to introduce a real partner, the city council in all of these efforts. I don't think there's anyone who's a bigger champion for small businesses, and it's just been such a pleasure to work with her over the years that I know so much more we will do together in the months and years to come. Please join me in welcoming council member and chair of the Small Business Committee, Julie Menin.

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Mayor Adams: Good stuff. Open to any on-topic questions.

Question: Mr. Mayor. Good morning.

Mayor Adams: How are you?

Question: I'm good. How are you?

Mayor Adams: Good.

Question: The visual here is kind of hard to miss. I see retail space available, I see space for rent behind you. What in here is going to help these empty storefronts become businesses again we see all over the city?

Mayor Adams: A couple of things, in layers. Number one, we need to change the message out there nationally, if not internationally, that it is too difficult, too expensive, too bureaucratic to do business in the city. It must be part of my overall campaign of going to other states and cities, and recruiting people to come here. That calls, from time to time, I have to leave the city. I know it's hard to see me gone, but I have to leave from time to time, to get on the ground, to recruit people here.

Mayor Adams: Number two, what we're doing today. Those moms and pops, like these beautiful families here, who are thinking about starting a business, but they're hearing

about these horrific stories and saying, "No, I don't think I want to do that." We want them to know, "We want you to do that, we're going to be a partner." What you're seeing, what SBS is going to do making it easier to start a business, is going to help.

Mayor Adams: Also, part of our childcare plan is looking at retail spaces. How do we turn it into childcare spaces? How to rethink how we're using some of the spaces? Our goal is to turn these for lease, for rent, into occupied spaces. We're encouraged on what we're going to do. I was in Midtown last night. The place is booming. People are back out because of what we're doing on the subway system. Subway ridership is back up. We're getting foot traffic again. All real estate experts will tell you, "Location, location, location."

Mayor Adams: It's the combination of things we must do. Easier to open business, easier to operate business, getting people back out, because we're making our city safe. Getting people back on our subway system, to get back in these office spaces. That's all the combination, so we can change this dynamic of our retail spaces not being used.

Question: Hey Mr. Mayor.

Mayor Adams: How are you?

Question: Good, how are you?

Mayor Adams: Good.

Question: I want to ask, can you explain why you decided to push back funding for fixing the BQE into future years? That came up with last week's [inaudible].

[Crosstalk]

Question: Some local neighborhood associations are worried about the safety of the BQE. You used to be borough president, so you know all about it. Can you explain why you decided to push back funding into future years?

Mayor Adams: Here's what we did and the reason why we did what we did. Number one, I spoke with Councilman Lincoln Restler who's going to sit down with OMB and other stakeholders. Here's when we looked at all of our agencies, we stated, can you spend the money? What's preventing you from spending the money that we allocated? What has happened historically is that we kept a large sum of money on the books of our agencies, that they were not going to spend during our fiscal year. And so we went in and said, are you going to be able to spend the money? We don't want to just have a padded book of state and we allocated X number of dollars, which you're not going to spend during this fiscal year. If they told us yes, we can spend it in this fiscal year. We could get to shovel in the ground. We did not touch it.

Mayor Adams: When it came down to the BQE, they were unable to spend the money during this fiscal year. We are streamlining how our agencies are spending money. Again, it's too bureaucratic. All of those agencies that are involved and doing these capital projects, it's taking too long. If the agencies involved are able to spend the money, we will make sure that money is available to be spent. But there's no reason of walking around with money in your pocket that you're not spending, or you're not using that just made no sense. And I really commend Jacques, our OMB person, who realized that we got to streamline the process. We must make it easier, but we also must make sure money allocated for this fiscal year needs to be spent, or the process needs to start.

Mayor Adams: Lincoln and I are going to sit down with the agencies and OMB to see if we need to put the money in because they can actually spend it. We want the project done, but we also want to do the entire stretch. It's not just about one part of the BQE. We have Williamsburg, we have Sunset Park. It's about all of those communities must use this opportunity to rethink that stretch of roadway.

Question: Will the BQE be paved in the future?

Mayor Adams: Yes it would. We're never going to do anything that is going to jeopardize the structural safety or the soundness of the BQE. We're not going to do that.

Question: One of the issues for small business owners that they speak about is sort of at this point out of the city's control and it's at the cost of rent. Some people describe huge upticks in rent, prohibitively expensive. And they've heard from landlords where they'd rather keep businesses and store fronts empty instead of lowering rent. So I

know that there's been efforts in the city council for years to have rent regulation, commercial rent regulation. Have you spoken to anyone in the business community who you have a strong relationship with in, I guess the people who are opposed to this working real estate and what can't and what would the city do in order to kind of keep commercial rents down, especially for longstanding businesses? Now that the city's out of the pandemic in whatever form we want to take, the rents are, are shooting up.

Mayor Adams: Okay. Dr. Fauci would get very angry with you if you say we're out of the pandemic.

Question: I used air quotes for those who can't see.

Mayor Adams: Okay, we're not out of the pandemic. We're telling people mask up, vaccine, booster, that's right. You don't want him to be angry with you on that. So yes, commercial rents and the increase in commercial rents is an issue and we need to really make it affordable for our small mom and pop's businesses. But oftentimes we also think about commercial landlords. We think about the large landlords, but there are a lot of mom and pops, that own two families and a commercial establishment.

Mayor Adams: So when we start making these decisions, we need to factor in the little guy. We can't lump in the little guy and lady into the large conglomerates. And so as we make these decisions, we must do that with them in mind as well. I'm hoping the state and some of our partners here in the business community look at how do we do this together? We learn through the pandemic, we need each other. We need each other to come up with real ways of how do we don't hurt each other as we get back operated in our city.

Question: Would you support a bill that would create commercial run stabilization and regulation for commercial tenants?

Mayor Adams: Well, the devil is in the details and I need to look at exactly what we are saying. Because again, if you just do a broad swipe, you're going to take up many of those small property owners. Where I keep saying over and over again, we have to also focus on small property owners. And so the devil is in the details and I won't just openly say I'm a support a bill. I need to see exactly what that bill is saying.

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