



Media Advisory
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Public demands City Council Members stop stalling with irrelevant bills and start saving small businesses, jobs, and protecting immigrant business owners and their employees

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NYC Councilman Robert Cornegy, Chairman of the Small Business Committee and Councilman Mark Levine representing Upper Manhattan are proposing yet another stalling tactic against the Small Business Jobs Survival Act (SBJSA). In another misguided effort led by CM Cornegy to help small businesses, by doing everything but supporting the only real solution on the table, the SBJSA, this most recent bill attacks the symptom rather than the cause by attempting to ban commercial landlords from harassing their business tenants. As CM Cornegy states:

“You’ll have a landlord who figures he can get four times the amount for a commercial space that he’s getting now, and someone midway through a ten-year lease, and the landlord doesn’t want to wait. So they’ll force tenants out through neglect and harassment.”

Per CM Cornegy’s example, the root of the crisis for small businesses is the possibility their landlord can command a 400% increase in rent, not the landlord's unethical behavior to bring that to fruition. While some in government tout this legislation by CM Cornegy and CM Levine as being strong advocates for small businesses by addressing a real small business problem with legislation, the leading small business advocates view this as only a continuation of stalling tactics going back to late 2009, when then Speaker Quinn’s office with the real estate lobby claimed a “legal roadblock” to stop a vote on the certain to pass, SBJSA. Since then, the real estate lobby has continued to create countless programs, initiatives, and most recently, legislation, all proclaiming to help small businesses but in reality, maintains the status quo depriving small business owners of rights. These worthless programs have been sent over to SBS, EDC and the Speaker’s Office to peddle to the public. The only difference today is these useless programs and proposals are also sent to the council members whom the real estate lobby gave generously to in the last election to ensure the landlords maintain all of the power during the lease renewal process.

Sung Soo Kim, regarded as the Godfather of Small Business*, has worked for over 30 years with immigrant business owners in NYC said, ***“not a single immigrant owner would ever file a complaint against their landlord without first having some protection or rights. For over 30 years the City Council has refused to give immigrant owners any rights to protect their investments and the jobs of their employees. This has resulted in an epidemic of unscrupulous landlords extorting hard working immigrant owners by demanding cash from them under threat of losing their businesses. Other landlords are refusing to give longer leases to the businesses, with many on a month- to- month lease fearfully waiting to get a 30 day notice to close. Rent gouging is today’s norm in the manipulated market. The immigrant business owners are scared, and without rights or protection knows what would happen to them if they ever filed a complaint against their landlord. The landlord would pay the fine and when the tenants’ lease expired the landlord would demand 30 to 40 times that amount in cash within 48 hours or throw the tenant out. This law is an insult to the desperate immigrant businesses that are struggling to survive in business in NYC. This bill does not begin to seriously address the real problems facing our city’s small business community, the problems that are resulting in long established businesses closing and NYer’s*”**

losing their jobs, lower wages for employees, and sky high consumer prices. The big four problems that are destroying the backbone of our city's economy: out of control exorbitant rent increases, illegal extortions, short term leases and tenants being forced to pay the ever increasing landlords' property taxes. Until government seriously addresses these problems with real solutions like SBJSA and give rights to the business owners, everything is just stalling to keep the status quo for the real estate lobby. "

On the other hand, rather than all the smoke and mirrors, CM Cornegy could simply add his name to the other 23 sponsors of the SBJSA which guarantees that all tenants in good standing be eligible for a 10 year minimum lease renewal thereby nullifying any reason for the landlord to resort to unscrupulous tactics to get them out sooner as they would already be protected. Any legislation proposed to help small businesses that does not address exorbitant rent increases, unfair month to month lease terms and extortion of immigrant business owners is a non-starter.

*Sung Soo Kim is called the "Godfather of Small Business" due to his founding the city's oldest business service center , Korean American Small Business Service Center; co-founding the New York City Small Business Congress and Coalition to Save New York City Small Businesses; created the Small Business Bill of Rights given to elected officials since 1993; and was the first Chairman of the Small Business Advisory Board, appointed by Mayors Dinkins and Giuliani.