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**Testimony before the New York City Council
Oversight – Rebuilding After Sandy and Improving the Resiliency of the City’s
Infrastructure**

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Comments of Bettina Damiani, Good Jobs New York**

Good afternoon and thank you for the invitation to testify today. My name is Bettina Damiani and I direct Good Jobs New York, a project of Good Jobs First based in Washington, DC in partnership with the Fiscal Policy Institute with offices in Albany and New York City.

Good Jobs New York promotes accountability to taxpayers in the use of economic development subsidies. Since our launch in 2000, we have worked to improve public participation in and transparency of these subsidy programs including the vast expansion this year of a searchable database of deals approved by the Industrial Development Agency (IDA). Our Database of Deals is available on our website, www.goodjobsny.org.

Since Hurricane Sandy we have provide technical assistance to and are actively engaged with the grassroots groups Alliance for a Just Rebuilding and the Sandy Regional Assembly. At Good Jobs New York we feel we are uniquely qualified to work, on rebuilding issues because after the attacks on Lower Manhattan in 2001, we became the go-to organization for various non-profits, elected officials and media to learn more about the proposed use of federal funds via our Reconstruction Watch project. In addition, our parent organization, Good Jobs First, based in Washington, DC did a study on Gulf Opportunity Zone Bonds after Hurricane Katrina.

Two areas of concern for the allocation of rebuilding funds after 9/11 remain today and focus on small businesses:

- The definition of small business is too broad. In order to create a resiliency plan, efforts must be made to focus on truly small firms. For example, after 9/11 many technically “small” businesses included brokerage houses and small law firms yet were eligible for grants under this definition. According to the Bloomberg Administration (Partial Action Plan A) 95% of impacted businesses have less than

50 employees. The definition of a small business via the Small Business Administration can include businesses that have up to 500 workers.

Clearly, the more profitable “small” have the resources to create and implement resiliency efforts but any efforts to engage businesses in a recovery plan (Intro 1072) must address the knowledge and capacity gap for our less techy, neighborhood businesses.

- The city’s plan to allocate CDBG funds is in part, based on existing programs at the Economic Development Corporation and the Industrial Development Agency. However, despite tremendous transparency gains at these institutions (Thanks to Local Law 62, New York City has the best local subsidy disclosure in the nation), the EDC and IDA have failed to reveal any information about which firms are benefitting from Sandy related grant, loan or tax break programs. This raises two concerns:

1) Are funds being allocated effectively and fairly? It is impossible to determine how effective these programs are and if they should be replicated with valuable resources like CDBG funds.

2) Failing to promote transparency in the use of Sandy funds creates a terrible precedent for what will surely be tens of billions of dollars allocated to companies in our city. By not making this information public is a disservice to the efforts of the Administration and the City Council.