

**Testimony on Intro 621  
Consumer Affairs Committee  
New York City Council  
May 4, 2004**

Good afternoon Chairman Reed. My name is Morton Sloan and I am the president of Morton Williams Associated, a chain of ten neighborhood supermarkets in New York City. My company employs over 1,000 New Yorkers and has been doing business in this city for over forty years.

I am here today to voice my opposition to Intro 691, a bill that would increase the number of street vendors in New York City and remove many of the restrictions that currently prevent vendors from doing business on certain designated streets. I am not here, however, to debate all the specific clauses contained in the legislation but to underscore my opposition to the bill's basic premise: New York City needs more street vendors. To this I say, it certainly does not.

What this bill fails to address is the fact that the street vending that already exists is poorly enforced. Stand sizes are expanded beyond their legal limits, stand locations continue to violate the siting restrictions that are built into the code and food vendors, plying their wares right in front of our supermarkets, fruit stands and bodegas, are allowed to sell food without the proper adherence to basic health and safety codes.

Increasing the number of vendors will simply exacerbate the current chaos on the streets in front of our stores. The promotion of this increased competitive chaos also ignores the fact that these unsupervised merchants are taking business directly away from store owners such as myself who pay rent, income taxes real estates taxes and who are constantly forced to endure the vigorous regulatory assault of the City's Department of Consumer Affairs.

In addition, my work force is unionized with wages and benefits that support families. My workers are governed by labor laws while many of the vendors, in reality

working for absentee owners, are paid off the books with little taxes being paid. Certainly these employees are not governed by the labor laws of this state.

In 2002, the City Council passed a greater than 20% increase in the city's real estate tax. Each one of my stores saw its rent go up proportionally. The result was tens of thousands of dollars of additional revenue that went to the aid of New York City in its fiscal distress. We are stakeholders in the well-being of this town and all of our overhead reflects our commitment to New York's health and vitality.

Vendors simply do not have the same overhead or commensurate commitment. As a result they are able to undersell legitimate store owners and put small business investments at risk. On top of all this we are even made responsible for the dirt that vendors generate in front of our businesses. Why is this fair?

The last four years have been challenging for neighborhood retailers. Times are tough and made tougher by the city's taxation and enforcement policies. What the city needs is fewer vendors and greater enforcement of existing vending activity. Intro 691 should be put aside and the City Council should convene a task force of small businesses and real estate interests. Our investment in this city should be acknowledged and nurtured. Unfortunately, Intro 691 does not do this.