

## **2009 BROOKLYN CHAMBER MEMBER ISSUES SURVEY – FINAL REPORT**

The Brooklyn Chamber of Commerce, under the direction of the Government Affairs Committee, conducts an annual survey of its membership to inform the Chamber's position on key economic and legislative issues affecting the local economy, as well as issues vital to you and the growth of your business, and as a means to prioritize its advocacy agenda.

The survey itself was structured into the following six sections:

- I. The Brooklyn Economy** – Questions related to Members' perceptions of the Brooklyn economy and the ramifications on their business.
- II. NYC Projects and Issues** – Questions measuring Members' support or opposition to specific NYC economic development projects and legislative issues that will impact the borough.
- III. Education and Workforce Development** – Measuring Members' perceptions of public education and training as it relates to their workforce.
- IV. Health Care** – Questions related to Members' health insurance coverage.
- V. Quality of Life** – Measuring the degree to which specific quality of life concerns affect Members' businesses.
- VI. Obstacles to Growth** – Questions measuring the degree to which Members perceive certain problems as significant obstacles to their individual businesses' growth.

This final report represents a summary of the responses to questions contained in the survey. Where appropriate, comparative data from past surveys are included.

If you have any questions regarding this report, or for additional information, please contact Leticia Theodore-Greene at (718) 875-1000 ext. 115, or by email at [ltheodore@brooklynchamber.com](mailto:ltheodore@brooklynchamber.com).

**SURVEY RESPONSE RATE: 21%**

**RESPONSES BY INDUSTRY CATEGORY**

Services (all types)	42%
Non-Profit/Cultural	4%
Industrial	8%
FIRE (finance, industrial, real estate)	19%
Education/Training	7%
Retail	11%
Health Care	8%

**RESPONSES BY SIZE OF BUSINESS**

0 employees (entrepreneur)	19%
1-4 employees	18%
5-10 employees	14%
11-20 employees	9%
21-49 employees	11%
50-99 employees	7%
100+ employees	16%
N/A (no Brooklyn office)	6%

**SECTION I – THE BROOKLYN ECONOMY**

**A. Looking back over the past year, what was the overall trend for your business? Would you say net revenue was:**

- 24% Greater than 2008
- 23% About the same as 2008
- 43% Less than 2008
- 10% Don't know or N/A

**B. What do you attribute this trend to? (Check all that apply)**

- 46% General business environment
- 8% Credit markets including the ability to acquire a loan
- 19% Change made to business plan/ business services
- 10% Increased/ decreased competition
- 57% Economic recession
- 19% Other (please specify): *low consumer confidence; loss of clients; increased foreclosures; first year in business; existing contracts helped bridge the recession; greater customer outreach by staff; increased advertising efforts to build business, etc.*

**C. What is your outlook on the Brooklyn economy for 2010?**

- 48% It will be better than 2009
- 32% It will be about the same as 2009
- 8% It will be worse than 2009
- 11% Don't know or N/A

2008	2007	2006
10% – Better than 2007	43% – Better than 2006	46% – Better than 2005
17% – About the same as 2007	25% – About the same as 2006	42% – About the same as 2005
57% – Worse than 2007	18% – Worse than 2006	3% – Worse than 2005

**D. What is the outlook for your business for 2010?**

- 27% It will be better than 2009
- 12% It will be about the same as 2009
- 53% It will be more challenging in 2009
- 8% Don't know or N/A

2008	2007	2006
27% – Better than 2007	59% – Better than 2006	56% – Better than 2005
12% – About the same as 2007	17% – About the same as 2006	26% – About the same as 2005
53% – Worse than 2007	17% – Worse than 2006	9% – Worse than 2005

**E. How many new full-time and part-time employees do you expect to hire in the coming year?**

- 36% 1 – 5
- 9% 6 – 10
- 4% 11 – 20
- 8% 21 or more
- 42% I do not plan on hiring new employees

2008	2007	2006
32% – 1 to 5 employees	50% – 1 to 5 employees	43% – 1 to 3 employees
2% – 6 to 10 employees	8% – 6 to 10 employees	10% – 4 to 6 employees
–	–	5% – 7 to 10 employees
2% – 11 to 20 employees	4% – 11 to 20 employees	2% – 11 to 20 employees
5% – 21 or more employees	6% – 21 or more employees	11% – 20 or more employees
57% – do not plan to hire	31% – do not plan to hire	22% – do not plan to hire

**G. How many employees do you anticipate having to lay off in the coming year?**

- 11% 1 – 5
- 1% 6 – 10
- 0% 11 – 20
- 1% 21 or more
- 88% I do not anticipate having to lay off employees in the coming year

**SECTION II – NYC PROJECTS AND ISSUES**

Projects	Support	Oppose	Neutral	Don't know
<b>Expanding Water Ferry Service</b> – Water ferry service has long been seen as a viable, sustainable transportation option for cities worldwide. The Bloomberg Administration and the City Council are considering subsidizing NYC's existing ferry service (the Staten Island ferry is currently subsidized) – much the way they do for bus, subway, Amtrak and commuter rail service – to ensure it is a reliable mass transit alternative for commuters, particularly for those with limited transportation options.	64%	4%	27%	5%
<b>Are there other projects you would like to see the Brooklyn Chamber consider</b> (please write them in the space provided)?				
<ul style="list-style-type: none"> <li>▪ Light rail line connecting waterfront communities to Atlantic Terminal transportation</li> <li>▪ Secure low interest loans to help small businesses</li> <li>▪ Provide frequent year-round ferry service to DUMBO and South Street Seaport, as well as Coney Island and Brooklyn Army Terminal to spur business</li> <li>▪ Offer incentives for roof-top farming, weatherization and other productive uses of roofs</li> </ul>				

Issues	Support	Oppose	Neutral	Don't know or N/A
<b>Eminent Domain</b> – The acquisition of private residential and commercial property by the government for major development projects – including private projects – to support economic growth in an area.	26%	42%	27%	5%
<b>Relocation Employment Assistance Program (REAP)</b> – REAP provides eligible businesses with tax credits when they relocate from outside of New York City or below 96th Street in Manhattan to certain designated areas. Should the program be expanded to include intra-borough relocations, i.e., from one area of Brooklyn to a REAP designated revitalization zone in the same borough?	65%	6%	21%	8%

<b>Access to Capital</b> – In an effort to lead the national economy into recovery from the current recession the federal government created a stimulus plan that included a plan to relieve ailing banks called the Troubled Asset Relief Program (TARP). Many of the banks that took advantage of the program have found their footing but small businesses have been less fortunate. The federal government is now considering using unspent TARP money to increase lending to small businesses.	80%	7%	9%	4%
<b>Empire Zone Reform</b> – The State’s primary economic development incentive program for twenty years is known as the Empire Zones program. Many believe this program should be scrapped and state legislators are debating what should replace the Empire Zones program, if anything. The debate is focusing on limiting state-level incentives only to state-targeted growth sectors such as biotechnology and advanced manufacturing.	15%	26%	37%	22%
<b>Mandatory Employee Benefits</b> – The last several state legislative sessions have had vigorous debate about including a state law requiring minimum leave policies that private sector employers must offer their employees. These potentially mandated employee leave policies range from paid family leave to paid sick leave.	26%	42%	24%	8%
<b>Are there other issues you would like to see the Brooklyn Chamber consider</b> (please write them in the space provided)? <ul style="list-style-type: none"> <li>▪ Bike lanes on commercial strips adversely affect business owners and the flow of commercial traffic</li> <li>▪ Better public transportation into two fare zones</li> <li>▪ More community and public forum meetings with better and advanced notice, especially where developers are concerned</li> <li>▪ Rail link for LIRR terminal from Atlantic-Pacific to Penn Station and PATH link from Atlantic-Pacific to New Jersey</li> <li>▪ Reduce alternate side parking across the borough to no more than twice a week</li> <li>▪ Eliminate dollar vans – they rob revenue from the MTA and create traffic havoc in downtown Brooklyn</li> <li>▪ Lessen taxes on the cost of doing business in NYS – tolls, mobility and commuter taxes make it overly expensive to do business</li> <li>▪ Incentives for e-waste recycling</li> </ul>				

### **SECTION III – EDUCATION AND WORKFORCE**

**A. How would you rate the caliber of candidates you have seen for entry to mid-level jobs in the past year?**

- 17% Fell well below meeting the basic requirements for the job
- 37% Met basic requirements for the job
- 13% Exceeded basic requirements for the job
- 33% N/A

**B. What percentage of your current jobs would you consider middle skilled (i.e., requires more than high school but less than college)?**

- 36% 0 – 25%
- 27% 26% – 50%
- 22% 51% – 75%
- 14% 76% – 100%

**C. Do you support the following statement: “Looking ahead, it will be essential to my workforce that all job applicants have at least two years of post secondary education or training (i.e., technical school, certification training, etc.)?”**

- 51% Yes
- 25% No
- 10% I’m not sure
- 14% N/A

**D. The federal government is considering various options to spur job growth nationwide. What would help you create/add new jobs to your business (please check all that apply)?**

- 35% Tax credits for hiring
  - 37% Wage subsidy to offset hiring costs for 6-12 months
  - 37% Easier access to credit/loans
  - 23% Ability to access assistance with hiring and training
  - 17% Do not need assistance in this area
  - 21% N/A
- Other (please specify): *more opportunities on bidding for public sector insurance and or risk management work; encourage consumer spending; provide subsidies for at least five years; lower corporate and personal tax rates; easier access to business funding and subsidized loans*

**SECTION IV: HEALTH CARE**

**A. Your business offers health care insurance for: (Please check all that apply)**

- 50% All employees
- 16% Some employees
- 4% Employee dependents
- 19% We do not offer health insurance
- 15% N/A

**B. If you do not provide health benefits to your employees, why have you made this decision?**

(Please check all that apply)

- 22% High cost of health insurance
- 4% Do not need to offer health benefits to attract and retain workers
- 2% Do not think it is an employer's responsibility to provide health benefits to workers
- 77% N/A
- 8% Other (please specify): *I have mostly seasonal employees/ independent contractors; we offer partial subsidies for health care; in development stage of business – offering health care would cripple us; CUNY policy.*

**C. If you provide health insurance to your employees, what are the most important factors considered when choosing your plan? (Please check all that apply)**

- 55% Affordability of plan
- 36% Benefits package
- 25% Doctors/ Providers/ Hospitals in network
- 34% N/A

**D. Do you believe offering health insurance impacts your ability to attract and retain qualified workers?**

- 70% Yes
- 10% No
- 6% I don't know
- 14% N/A

**Health Insurance – State Reform**

**A. Currently the State mandates health plans cover a specified set of benefits. Would you like more choices in health insurance offerings with a wider range of price points and benefit packages?**

- 62% Yes
- 5% No
- 15% I don't know
- 19% N/A

**B. Should the State of New York be required to approve health insurance premium rate increases before they are implemented?**

- 56% Yes
- 16% No
- 29% I don't know

**Health Insurance – National Reform**

**A. Do you support national health insurance reform?**

- 66% Yes
- 17% No
- 17% I don't know

**B. If yes, should a new public health plan option (overseen or administered by the federal government) be created?**

- 75% Yes
- 12% No
- 13% I don't know
- 4% Other (please specify): *This responsibility should be delegated to the state – they have always done a very good job of regulating the insurance industry; State and Municipal legislated plans are more solution-oriented than Federal legislated plans. The Federal government should examine profit and not-for-profit insurance companies, and develop a low-tier health plan with "buy-up" options for economically distressed businesses/ employees/ individuals. It should also examine later start ages for Medicare based on the population's increasing longevity, which will continue based on medical and science solutions which do not reduce the annual costs.*

**C. Do you support national health insurance reform if it means your business will have to pay higher taxes?**

- 34% Yes
- 41% No
- 23% I don't know
- 8% Other (please specify): *Depends on how much of an increase; will support only "reform" if it actually addresses the underlying reasons for spiraling costs; employers are already over burdened with taxes and fees.*

**D. Do you support national health insurance reform if it means employers will have to contribute to the cost of coverage?**

- 46% Yes
- 32% No
- 22% I don't know
- 8% Other (please specify): *Depends on how much of the cost will be paid by employers; only if it means that I contribute to my coverage and not to others; insurance ought to be a risk-management strategy, not a primary financial instrument.*

**SECTION V – QUALITY OF LIFE**

To what degree are you concerned about the following quality of life issues?	Percentage citing problem or severe problem	Current rank	Rank in 2008 (Top 3)	Rank in 2007 (Top 3)	Rank in 2006 (Top 3)
Parking (availability/ violations)	69%	1	(2) 72%	(1) 79%	(2) 79%
Traffic (congestion)	63%	2	(1) 73%	(2) 74%	(1) 80%
Potholes and poor street conditions	52%	3	(3) 64%	(3) 68%	(3) 70%
Unfinished development/ construction sites	34%	4	–	–	–

<b>Litter</b>	34%	5	–	–	–
<b>Public Transportation</b>	31%	6	–	–	–
<b>Public safety and security</b>	30%	7	–	–	–
<b>Graffiti</b>	30%	8	–	–	–
<b>Rats and vermin</b>	30%	9	–	–	–
<b>Other</b> (please specify): <i>City should halt the issuing of new taxi medallions; traffic congestion has worsened since many two lane streets were changed to a single lane with a bike lane that is rarely used.</i>					

## SECTION VI – OBSTACLES TO GROWTH

<b>Obstacles</b>	<b>Percentage citing problem or severe problem</b>	<b>Current rank</b>	<b>Rank in 2008 (Top 8)</b>	<b>Rank in 2007 (Top 8)</b>	<b>Rank in 2006 (Top 8)</b>
<b>Increased cost of providing health insurance for my employees</b>	54%	1	(1) 55%	(2) 52%	(1) 62%
<b>Fuel or energy costs (gas, diesel, electric, oil, etc.)</b>	51%	2	(2) 51%	(1) 55%	(3) 54%
<b>Cost of general liability insurance</b>	49%	3	(3) 48%	(3) 50%	(2) 58%
<b>Access to credit/liquidity problems</b>	44%	4	(6) 38%	(3) 50%	(4) 50%
<b>Government regulations, fines and violations</b>	44%	4	(8) 31%	(7) 39%	(5) 49%
<b>Finding/hiring reliable, qualified workers</b>	44%	4	–	(5) 43%	–
<b>Traffic/transportation problems</b>	42%	5	(4) 46%	–	–
<b>Workers' Compensation costs</b>	41%	6	(5) 44%	(4) 48%	(8) 41%
<b>Labor costs</b>	39%	7	(6) 38%	(7) 39%	(7) 43%
<b>Cost of real estate</b>	38%	8	(7) 35%	(5) 43%	(6) 48%
<b>Affordable housing for employees</b>	35%	9	–	(6) 41%	(4) 50%
<b>Corporate taxes</b>	34%	10	–	(8) 30%	–
<b>Real estate taxes</b>	33%	11	–	–	–
<b>Unemployment insurance</b>	33%	11	–	–	–
<b>Water and sewage charges</b>	29%	12	–	–	–
<b>Finding available business space/ real estate</b>	28%	13	–	–	–
<b>Sales taxes (city, state)</b>	26%	14	–	–	–
<b>Other</b> (please specify): <i>Increased government regulation; government fines and violations are interfering with my existing business, draining much needed time and money, and preventing me from expansion – the DOB, ECB and the Mayor's Office of Special Enforcement are predatory on small businesses.</i>					