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**Gale A. Brewer, Borough President**

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**Testimony before the New York City Council  
Committee on Economic Development**

**The Economic Impact of Increased Security for the  
President-Elect Upon Local Businesses and the City as a Whole**

Thank you Chair Garodnick and members of the Committee on Economic Development for holding this hearing on the economic impact of the increased security around Trump Tower.

To further overuse the most overused phrase of this election season, the situation surrounding security at Trump Tower is unprecedented. Midtown Manhattan is the largest central business district in the entire nation – by a longshot. Anything disrupting economic activity in this part of the City for hours is significant, for days or weeks is serious and for months or years could be devastating.

The Fifth Avenue businesses in the immediate vicinity of Trump Tower include iconic New York gems such as Tiffany's and Bergdorf Goodman's and American flagship stores of international companies such as Bulgari and Chanel. These stores lure national and international tourists and directly provide thousands of good jobs while indirectly they help support many times that number of jobs. We have heard the concerns of these businesses that customers are staying away and anecdotally, some have reported comparatively better holiday sales at some New Jersey mall branches than at their flagship Fifth Avenue Stores this year. This is a situation that in my opinion cannot be allowed to continue.

While not as renowned as these Fifth Avenue gems, the small businesses in the area, especially along West 56<sup>th</sup> Street between Fifth and Sixth Avenues, are no less important. We have also met with these business owners and while the reverberations on Manhattan and the City may not be as big from a hit to one of these small businesses, their importance cannot be overstated. Collectively there are at least 105 small businesses located on West 56<sup>th</sup> Street between Fifth and Sixth Avenues. There are about 31 ground floor businesses and over 70 on upper floors of the smaller commercial buildings. This could mean in the neighborhood of 1000 jobs. And while each of these businesses may not have nearly as significant an impact on the City's economy as an international flagship retail store, a downturn in activity on a pub, small restaurant or hair salon is more likely to cause the downfall of such a business and the loss of those equally important jobs. And the collective danger to all of these small businesses could significantly damage the entire neighborhood.

We have heard from these owners that in November, following the election, revenues were down an average of about 30 percent. Council Member Garodnick and I reached out to the Commissioner of the Department of Small Business Services and were heartened that West 56<sup>th</sup> Street between Fifth and Sixth Avenues was reopened. However, we have heard that despite a rebound for some of the small businesses in December, the last few weeks have brought additional declines in business. From speaking to owners, our understanding is that this decline is due to the combination of a second command post added to that block; barricades running the length of the block; and only one lane of traffic being opened. In addition, on a couple of occasions, even the one lane has been closed again.

I know that the Administration and NYPD do not have primary control or responsibility for the security measures surrounding Trump Plaza, and appreciate the work that they are doing both to provide the necessary security as well as to work with the business community to ameliorate its impacts. We have to continue to work with these businesses to ease the unfair burden they are being asked to shoulder. We have to work hard and be open to all reasonable ideas to make the area as inviting as possible. That means improving the looks of the security measures and pushing to make sure we aren't erecting more impediments to foot and vehicular traffic than are necessary. It means making sure that West 56<sup>th</sup> Street is genuinely open and that people know it is open, and making it as inviting as we can possibly can. It means implementing sufficient means of communicating with all of these businesses so that if a change must occur they are

notified as soon as possible about the change and its duration. And it means promoting the area as a whole – from Bulgari to Bengal Tiger – both locally and beyond.

Thank you for taking up this important matter and I know we will continue to work together to provide all the assistance to these businesses that we can.