

Partnering for New York's Future

An Interview with Kathryn S. Wylde, President and Chief Executive Officer, Partnership for New York City

EDITORS' NOTE Prior to assuming her current post in 2000, Kathryn Wylde served as the founding President and Chief Executive Officer of two Partnership affiliates, the Housing Partnership and the Partnership Fund for New York City. She is a board member of the New York City Economic Development Corporation, the Manhattan Institute, NYC & Company, the Governor's NYC Regional Economic Development Council and the Fund for Public Education.



Kathryn S. Wylde

ORGANIZATION BRIEF Focused on maintaining the city's position as the center of global commerce and innovation, the Partnership for New York City (pfnyc.org) is comprised of top CEOs from the city's corporate, investment and entrepreneurial sectors. It works in partnership with government to advance the interests of the city. The organization's priorities include maintaining the city's competitive position in the attraction and growth of its business sector, improving public education, and fostering public/private partnerships to address the challenges facing the city. The Partnership Fund is its economic development arm that invests in projects that contribute to strategic industry growth, support for distressed communities, and job creation.

The Partnership for New York City issued the first comprehensive analysis of the impact of COVID-19 on New York City and the surrounding region on July 20. What were the conclusions?

Global consulting firms worked on this report, titled "A Call for Action and Collaboration," which quantifies the health and economic impacts of the coronavirus on New York City and the surrounding metropolitan region and suggests steps to be taken for recovery. As of July, we had lost a million jobs, at least temporarily, and unemployment exceeded 20 percent. Over 520,000 of the jobs lost were in businesses with fewer than 50 employees, many owned by immigrant and minority entrepreneurs, most of which were forced to close for at least three months during the COVID shut down. Surveys suggest that a third of these small businesses may never be able to reopen. On the positive side, the global financial institutions and corporations that anchor our economy were able to shift to remote work and generally operated seamlessly throughout the pandemic. Similarly, the tech and professional services firms quickly adapted and kept most of their people employed.

When it comes to health, New York was hit harder than any other city and was the epicenter of the pandemic in the U.S. for three months. Fortunately, we have a terrific cluster of healthcare institutions and the Governor provided strong leadership, resulting in New York being able to contain the spread of the virus. In New York, the health crisis has been quite well managed, but the economic consequences are really just beginning to unfold. There is no doubt that it will take several years for the city to recover and that government

does not have the resources to meet all the needs that the pandemic has left us with – needs for job training and job creation, for helping small businesses restart or reinvent themselves, for transforming education to an online format, and to resurrect our arts, culture and public events industries. Our main conclusion is that the private sector will need to step up with the resources to lead recovery and help government find more efficient and effective ways to address big challenges.

What has been the focus for the Partnership for New York City during this unprecedented time?

At the beginning of the pandemic, the Partnership tapped its members that had experience with the coronavirus in Asia to help state and city government make decisions about essential businesses and how to shut down the economy in a responsible way. We also called upon our global banking and corporate members to provide donations of personal protective equipment to healthcare providers and other essential workers. These companies had disaster plans and warehouses with equipment stored away in case of a pandemic, which is something that government and hospitals never prepared for. The Partnership alerted them to the need in New York and they donated millions of masks and other equipment to get us through the high intensity phase of the crisis. The Partnership provided government with insights on business needs and experiences with pandemic conditions and facilitated access to information and fair hearing for businesses being impacted by guidance being issued by the government, as

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well as advocacy where there was a disconnect between government mandates and the reality on the ground. Other areas of engagement have included securing financial support for local chambers of commerce to do outreach and provide technical assistance to thousands of small and minority-owned businesses that have been hit hard by the pandemic. The charitable arm of one of our members, the Peter G. Peterson Foundation, provided major funding for this project. Through its Transit Tech Lab, the Partnership assisted the transit system in accommodating essential workers throughout the pandemic. We helped channel corporate and personal philanthropy to meet priority needs. In general, we served as an intermediary between government and business, which is our normal mission, and is even more urgent during a time of crisis.

What are the Partnership’s views on the reopening of the economy and moving to a new normal?

Throughout the pandemic, the Partnership has been surveying our members on their plans for bringing workers back to the office. Frankly, there were plans in late May to reopen gradually over the summer and an expectation that significant numbers of remote workers would be returning to the office by early next year. The outbreak of looting after the George Floyd killing at the end of May created a whole new level of concerns about public safety and civil unrest that increased general anxiety about returning to the office. For families, the uncertainty about schools reopening created additional issues. Also, our surveys show that 83 percent of

returning office workers would need to rely on public transit for their commute and were worried about whether rules about wearing masks and social distancing on transit would be enforced. These are all issues that the Partnership is working on in hopes that the private sector can provide technical support and expertise to help the government agencies that are responsible for public safety, education and economic recovery. The hardest hit sector of the economy has been small business. As I mentioned earlier, more than 520,000 people who work for businesses with fewer than 50 employees lost their jobs during the first five months of the pandemic, and a third of these businesses may never reopen, so helping small business come back is important to the communities they serve, their workers, as well as the entrepreneurs. The Partnership is teaming up with the city Economic Development Corporation to provide a clearinghouse that will identify and channel resources to small business, including help with marketing, renegotiating their lease, using technology to support their business, and access to loans and grants. Many of our member companies are stepping up with volunteers, funding, pro bono technical, legal and marketing support.

What are your biggest concerns about the future of New York City?

Long term, New York City will remain one of the world’s great centers of commerce, finance, culture and innovation. I am worried about the next few years, however, because COVID-19 exacerbated a number of difficult challenges that the city was already facing including high costs, high taxes, deteriorating

infrastructure and divisive politics. New York has met past challenges because New Yorkers put the interests of the city first, and they could compromise their differences to come up with practical solutions. Today, the extreme stress of unemployment, homelessness and racial inequities that have been magnified by the pandemic is making it hard to bring people together around smart solutions. During the 1980s, as the city worked to recover from the municipal bankruptcy, along with an exodus of companies and a million middle class workers, we created public/private partnerships that engaged everyone in coming up with programs that were often largely privately funded, but had important roles for nonprofit groups, churches, and civic and business leaders. We came together to rebuild neighborhoods that had burned down in the ’70s, to improve the schools, to support our universities and hospitals, and to build new industry clusters in finance, media, technology and healthcare. We need to replicate that experience of bringing everyone to the table and finding opportunities for economic recovery and growth that benefit all New Yorkers. At the Partnership, we are working on ideas for these partnerships and we believe that the city will ultimately unite around pragmatic solutions. It is just a matter of how long it takes, and how bad things have to get, for New Yorkers to demand that we move beyond divisive politics and start to work together to make New York more affordable and to provide opportunities for education and job training for the jobs of the future. ●

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