



Legislation Text

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Res. No. 1636

Resolution in support of the New York Congressional delegation's request for the Federal Emergency Management Agency to extend the deadline for small businesses to apply for physical disaster loans.

By Council Members Lappin, Arroyo, Barron, Brewer, Chin, Comrie, Dickens, Dromm, Fidler, Gennaro, Gentile, James, King, Koo, Koppell, Koslowitz, Mealy, Mendez, Palma, Rose, Vann, Williams, Wills and Ulrich

Whereas, The United States Small Business Administration (SBA) runs the disaster loans program for the United States Department of Homeland Security's Federal Emergency Management Agency (FEMA); and

Whereas, SBA provides physical disaster loans of up to \$2 million to qualified small businesses; and

Whereas, To qualify for a physical disaster loan, a business must have been located in a declared disaster area and must have suffered physical damage; and

Whereas, Currently, small business owners have 60 days after a natural disaster to apply for low-interest loans to make repairs, purchase merchandise, and pay for other work necessary to reopen; and

Whereas, Interest rates on the loan will not exceed 4 percent if the business owner does not have credit available elsewhere; and

Whereas, The repayment term can be as long as 30 years depending on the business's ability to repay; and

Whereas, The recently extended deadline for small businesses affected by Tropical Storm Sandy to apply for a physical disaster loan is January 28, 2013; and

Whereas, The current deadline does not take into account the reality that some New Yorker businesses are still experiencing disarray, are unfamiliar with dealing with disaster relief requirements and are in need of

greater education and technical assistance around related loan applications; and

Whereas, According to the New York Congressional delegation, small business owners within their districts are still assessing the damage to their businesses, and state that it may take months for them to fully understand the true extent of the damage; and

Whereas, In some areas, businesses still remain without power and cannot begin assessment until their electrical systems are restored; and

Whereas, The New York Congressional delegation is requesting an extension of the application deadline for small businesses affected by Tropical Storm Sandy to May 1, 2013; and

Whereas, An extended deadline would provide additional time for small business owners to evaluate the damage to their businesses and properly fill out their applications; now, therefore, be it

Resolved, That the Council of the City of New York supports the New York Congressional delegation's request for the Federal Emergency Management Agency to extend the deadline for small businesses to apply for physical disaster loans.

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FCC/GP