



Legislation Text

File #: Res 0583-2002, **Version:** *

Res. No. 583

Resolution calling upon the United States Department of Housing and Urban Development, the Empire State Development Corporation, the Governor of the State of New York, the New York City Economic Development Corporation and the Mayor of the City of New York to modify the World Trade Center Disaster Action Plan for Businesses and the Guidelines for the Small Firm Attraction and Retention Grant Program (the "SFARG Program"), so that any business that was operating from business premises located south of Canal Street as of September 11, 2001, and which presently holds a lease to an existing premises there, may qualify for a grant under the Small Firm Attraction and Retention Program.

By Council Members Recchia, Gerson, Jackson, Liu, Lopez, McMahon, Nelson, Weprin, DeBlasio and Lanza; also Council Member Seabrook

Whereas, The World Trade Center Disaster Action Plan for Businesses ("Action Plan") and the Guidelines for the Small Firm Attraction and Retention Grant ("SFARG Program") ("Guidelines") each provide that the primary goal of the SFARG Program is the retention and attraction of small businesses and the retention of employment in lower Manhattan; and

Whereas, Under the existing Guidelines, a business does not qualify for a grant unless it can show that (1) it currently holds a lease that was in effect as of September 11, 2001 that will expire on or before December 31, 2004; and (2) the business has signed a new lease, or an agreement to extend the existing lease, for an additional five-year period; and

Whereas, Under the existing Guidelines, businesses which made a long-term commitment before September 11, 2001 to remain in lower Manhattan by executing a lease with a term which expires after December 31, 2004 are not eligible for a SFARG Program grant; and

Whereas, Some businesses that would like to extend their present leases and qualify for the SFARG Program are being prevented from doing so by landlords who are unwilling to enter into such an agreement; and

Whereas, Under the existing Guidelines, small businesses which are operated from the same premises in which the owner lives are not eligible for a grant under the SFARG Program; and

Whereas, According to a recent report issued by the Empire State Development Corporation ("ESDC"), as of September 27, 2002, only 322 of the more than 11,000 small businesses located south of Canal Street have been able to satisfy the overly-restrictive lease eligibility criteria under the SFARG Program; and

Whereas, There has been considerable public complaint with the SFARG Program because the lease criteria tend to exclude many of the small businesses for which the SFARG Program was established; and

Whereas, Any small business located south of Canal Street should be eligible for the SFARG Program regardless of the length of the term of the lease in effect as of September 11, 2001 and without having to enter into an agreement to extend the lease term for an additional five years; now, therefore, be it

Resolved, that the Council of the City of New York urgently calls upon the United States Department of Housing and Urban Development, the Empire State Development Corporation, the Governor of the State of New York, the New York City Economic Development Corporation and the Mayor of the City of New York to modify the World Trade Center Disaster Action Plan for Businesses and the Guidelines for the Small Firm Attraction and Retention Grant Program, so that any business that was operating from business premises located south of Canal Street as of September 11, 2001, and which presently holds a lease to an existing premises there, can qualify for a grant under the Small Firm Attraction and Retention Grant Program.

FN

LS# 1386

[1013]