

NEW YORK STATE ACTION PLAN AMENDMENT

Empire State Development
in cooperation with
New York City Economic Development Corporation

World Trade Center Disaster
Amended Plan for New York Business Recovery and Economic Revitalization

June 20, 2011

Action Plan History

Congress appropriated an initial \$700 million to New York State for economic recovery and revitalization, administered by Empire State Development (ESD). ESD, in cooperation with the New York City Economic Development Corp. (EDC) published a draft Action Plan for the \$700 million on December 26, 2001, for public comment. The Action Plan was modified to reflect comment and published in final version on January 30, 2002. The Plan was accepted by the federal Dept. of Housing and Urban Development (HUD).

The Action Plan was formally amended through a public comment process, to modify some terms of the Small Firm Attraction & Retention Grant (SFARG) program and to reallocate \$25 million from Infrastructure Rebuilding to augment the SFARG budget. The Amended Action Plan was published on June 7, 2002, and accepted by HUD in July 2002.

The \$700 Million Amended Action Plan was further augmented by a supplemental allocation of \$350 Million from the Lower Manhattan Development Corp. (LMDC) \$2 Billion Community Development Block Grant (CDBG) disaster recovery award. The supplemental \$350 Million was allocated to three business recovery programs, established in the \$700 Million Action Plan: the Business Recovery Grant program, the Small Firm Attraction & Retention Grant program, and the Job Creation & Retention program. HUD accepted the LMDC \$350 million Partial Action Plan in October 2002.

The Action Plan was further amended in March 2003, to reallocate funds from the Business Recovery Loan Fund (BLRF) to the Business Recovery Grant (BRG) program; and from the Bridge Loan Program (BLP) to the Business Recovery Grant program, to address areas of need and demand that were under-funded at the time

The plan was further amended on July 21, 2004 to move \$1,498,500 from the Bridge Loan Program (BLP) and reallocated to the Business Recovery Loan Fund (BLRF) to address unmet needs. Most recently, the plan was amended on October 20, 2004 to offer assistance to eligible businesses that request assistance through the Job Creation and Retention Program until December 31st, 2005.

On December 21, 2007, the Action Plan was amended to enable eligible businesses to request assistance through the Job Creation and Retention Program through December 31, 2009.

On July 6, 2009, the Action Plan was amended to reflect: an extension of the period in which assistance can be requested to December 31, 2011, an expansion of the eligibility requirements to include projects in which at least 75 new Lower Manhattan jobs were created and a lengthening of the Program's commitment period to 10 years.

Action Plan Amendment Implemented Here

The World Trade Center Disaster Action Plan for New York Business Recovery and Economic Revitalization (January 30, 2002), as subsequently revised and amended, created the World Trade Center Job Creation and Retention Program ("the Program"). The Program assists firms displaced from their workplace for at least one month, as well as other affected firms and firms willing to create new jobs in the downtown area. The Program offered assistance only to those businesses that made commitments of at least 200 full-time jobs in Lower Manhattan and who requested assistance no later than December 31st, 2011. However, there is still a need for assistance to encourage firms to relocate to downtown New York, and funds are still available for projects assisted through the Program. Consequently, this Action Plan amends the Job Creation and Retention program to offer assistance to eligible businesses that request assistance no later than December 31st, 2013.

These program enhancements are essential to Lower Manhattan's continued recovery in light of the enormous amount of new office space that will be constructed at the World Trade Center site in the coming years and the depletion of a major New York State incentive for new World Trade Center leases (the WTC Rent Reduction Program).

This amendment does not require public comment because there will be no reallocation of Program funds nor any changes in eligibility.