

NEW YORK STATE ACTION PLAN

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

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

Objective

The attack on the World Trade Center had a substantial, negative impact on the New York City economy. Although the attack was directed at the World Trade Center in lower Manhattan, its economic impacts were broader, strongly affecting industries as disparate as financial services, travel and tourism and retail.

Ensuring economic recovery in New York City will require concerted actions by all levels of government and the private sector. The task will involve several steps:

- First, we must help affected businesses survive the physical damage and economic dislocation that has resulted from the attack, so that they may continue to provide jobs.
- Second, we must ensure that New York City does not lose substantial employment as a result of corporate relocations outside the City because of the attack.
- Third, we must undertake necessary actions to rebuild the area of Manhattan that was destroyed or damaged.

National Objective

The activities contained in this Action Plan have been designed to meet community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the City of New York where other financial resources are not available to meet such needs.

Economic Impacts of the World Trade Center Disaster

- The World Trade Center disaster had an immediate and devastating impact on the businesses of lower Manhattan, as well as on other New York City businesses that suffered economic dislocation as a result of the attack

- 17,965 businesses, representing 563,097 employees were dislocated or disrupted
- All businesses at the World Trade & World Financial Centers (WTC & WFC) with direct employment of 36,522, and annual earnings of \$4.1 billion, were dislocated.
- WTC & WFC disrupted employment indirectly impacts an estimated 68,003 additional jobs.
- Infrastructure vital to economic recovery—including transportation, telecommunications and 30 million square feet of commercial workspace— was destroyed or seriously damaged.

In the four months since the attack, the economic devastation has continued to snowball outward from lower Manhattan, causing damage to other businesses in nearly every sector of the economy and every part of the City.

- New York City lost 79,000 jobs in October alone— a month in which employment generally rises.
- Job losses by sector include: 18,300 retail and wholesale; 13,400 restaurants and bars; 6,900 transportation and utilities.
- The securities industry, which accounts for 25% of state tax revenues, estimates a 75% decline in profits for 2001. 15,000 jobs have been lost.
- Of the 19,000 Wall Street area jobs that have left the City, most are considered at risk for not returning. These jobs support as many as 30,000 support service jobs that may also be at risk.
- Visitor spending in NYC dropped by \$357.2 million from Sept. 11- Nov. 4, with an estimated loss of \$66.1 million in city, state and federal taxes from tourism alone.
- Tourism to NYC, which generates \$16.9 billion annually, supporting direct employment of 145,900, saw revenues drop by more than 40 percent in the 10 days following the attack.
- Attendance at arts and cultural attractions was down by 40%. 61 arts organizations reported combined lost revenues of \$18 million in September alone.
- The NYC Partnership report forecasts at least \$83 billion in losses from the attack, of which \$16 billion will not be covered by insurance or federal assistance. They project a \$39 billion loss in output to the economy

Overall, the State Division of Budget estimates the State may face direct and indirect revenue losses as high as \$6.8 billion in the next two years; the City may face revenue losses of about \$3 billion in the same period. These revenue losses represent only the taxable percentage of the much greater total loss that is borne by the businesses and families of the City and State.

Action Plan for Business Recovery and Economic Revitalization

As Governor Pataki's designated lead agency for coordinating business recovery, Empire State Development Corporation (ESD)¹ has developed the following Action Plan for the \$700 million appropriated to New York State through the Federal Department of Housing and Urban Development (HUD) for economic recovery. ESD has cooperated with the City of New York and its designated lead agency, the Economic Development Corporation (EDC), in designing the programmatic and administrative aspects of the plan. ESD has created a subsidiary, the Lower

¹ Empire State Development Corporation has been adopted as the business name of the New York State Urban Development Corporation

Manhattan Development Corporation (LMDC), that has been designated by the State as the lead agency for the effort to redevelop the attack site.

As the above section demonstrates, the magnitude of economic loss and needs for recovery far exceed this appropriation. To respond appropriately where needs so greatly exceed resources, ESD has incorporated three guiding principles in the proposal:

1. Target assistance with greatest impact for overall economic recovery, job creation, retention and stabilization
2. Retain program flexibility to deliver assistance in the most timely and effective manner possible to achieve economic revitalization and job creation/retention goals
3. Provide administrative coordination to integrate the various federal, state, city, community and private business assistance efforts, reducing the likelihood of duplication and enhancing the value of combined resources

Assistance offered with the appropriated funds will be targeted to four types of businesses (including not-for-profit organizations) directly affected by or responding to the disaster:

1. Businesses located in lower Manhattan at the time of the disaster that have remained within lower Manhattan.
2. Businesses located in lower Manhattan at the time of the disaster that have temporarily relocated elsewhere because of the disaster.
3. New York City businesses that suffered significant economic dislocation because a substantial portion of their major customers were businesses in lower Manhattan.
4. Businesses seeking to locate new operations and create new jobs in lower Manhattan. Assistance will enhance the cost-competitiveness of lower Manhattan location decisions, but will not be used to take employment from other states.

In addition to providing direct business assistance, ESD will identify industries, such as high technology, new media, biotechnology and others that offer the downtown area significant potential job creation opportunities. The agency will provide funding to facilitate related tenant improvements and adaptive reuse of damaged or partially vacant buildings that would encourage the return of displaced businesses and new business tenants.

ESD and EDC have identified the following areas of business assistance as key components of a comprehensive recovery and economic revitalization approach.

- Compensation for Economic Losses
- Technical Assistance for Small business Recovery
- Business Retention and Attraction
- Business Information
- Infrastructure Rebuilding
- Administration

Relationship of the Plan to Subsequent Federal Funding Requirements

Subsequent to the enactment of the legislation appropriating \$700 million to New York State through HUD for economic recovery and revitalization, Congress enacted legislation appropriating

an additional \$2 billion of assistance, which designates the Lower Manhattan Development Corporation as the receiving entity for the state. The new legislation contains several requirements concerning the expenditure of funds from the \$2 billion appropriation, as well as the earlier \$700 million appropriation. Notably, the more recently enacted legislation requires New York State to allocate at least \$500 million of the \$2.7 billion total appropriated to small businesses, not for profit organizations and individuals for economic losses. In addition, in reference to the \$500 million, the legislation sets “a limit of \$500,000 per small business for economic losses.” Also, in reference to that funding, it requires that assistance “only be available for individuals, nonprofits or small businesses located in New York City in the area located on or south of West 14th Street (west of its intersection with 5th Avenue), or on or south of East 14th Street (east of its intersection with 5th Street [*sic.* -- *The text evidently refers to 5th Avenue*]).” The legislation also provides that \$10,000,000 of the \$2.7 billion shall be used for a program to aid the travel and tourism industry in New York City.

This Action Plan describes New York’s approach to allocation of the initial \$700 million appropriated by Congress to the Department of Housing and Urban Development. It establishes assistance programs for businesses, including not-for-profit businesses and small businesses, which are funded in part from the initial \$700 million appropriation. ESD has allocated \$396 million in the current plan to small businesses and not-for-profit organizations for economic losses.

Concerning the requirement that assistance to individual small businesses from the \$500 million set-aside be limited to \$500,000, ESD will implement procedures to ensure that no individual business receiving assistance from programs described in the section of this plan called “Small Business Assistance” will receive more than \$500,000 in funds from that source.

Uses of Funds

ESD in cooperation with EDC proposes the following allocation of CDBG funds among the components of the economic recovery and revitalization Action Plan:

Action Plan Categories	Funding from \$700 Million
Compensation for Economic Losses	
Small Business Assistance	
• Bridge Loan Program	\$15,000,000
• WTC Business Recovery Grant Program	\$331,000,000
• Business Recovery Loans	\$50,000,000
Total: Small Business	\$396,000,000
Compensation to Other Businesses	\$5,000,000
Total: Compensation for Economic Losses	\$401,000,000
Technical Assistance for Small Business Recovery	
• Grants to Service Providers	\$5,000,000
Retention and Attraction Assistance	
• Job Creation and Retention Grants & Loans	\$170,000,000
• Small Firm Attraction and Retention Grants	\$80,000,000
Total: Retention and Attraction	\$250,000,000
Business Information	
• Business Information	\$5,000,000
Infrastructure Rebuilding	
• Initial Planning and Design	\$25,000,000*
Administration	\$14,000,000*
TOTAL	\$700,000,000

*HUD authorizes the use of up to 10% (\$70,000,000) of the award for planning and administration. ESD plans to allocate up to \$39,000,000 for this purpose, and use the remainder for programs.

Because exact demand for proposed programs is uncertain, we anticipate that it may be necessary to re-allocate funds among and within the above categories as needed to respond most effectively to the goals of economic revitalization, job retention and creation in New York City. Similarly, we anticipate that certain programs may generate income from loan repayments, income from reserves, and other sources. In this event, we will first use program income to meet funding needs within the program. In the event that funding needs within the program are satisfied, we may then make funds available to other programs funded through this Action Plan.

Compensation for Economic Losses

Small Business Assistance

Businesses in New York City suffered economic losses resulting from both physical damage to property and interruptions and reductions in business activity resulting from the disaster. Physical damage was limited to the directly impacted area of lower Manhattan including tenants of the World Trade and World Financial Centers, as well as buildings in the blocks immediately surrounding the Centers, which, while still structurally sound, suffered extensive damage to interior property. In buildings where just the windows were blown out, entire ventilation and computer systems were damaged by dust.

Lower Manhattan businesses suffered economic losses as a result of business interruption while the area was closed to all traffic and pedestrian access was limited. Portions of this area remained closed for even longer, and some pockets have still not had utilities and access fully restored. Beyond lower Manhattan, economic injury from the attacks has reached businesses all across the City, as noted above, and continues to multiply, as each injured business impacts several more that supplied or depended upon it.

Small businesses that employ fewer than 500 are often particularly vulnerable to the effects of disasters. Business interruptions resulting from the September 11th attacks severely affected thousands of small businesses located in areas of the City where access was restricted to emergency services. Because they are often dependent on larger firms in the area with which they do business, smaller firms in lower Manhattan suffered economic losses when larger area firms located in the World Trade Center and in surrounding buildings lost their locations for extended periods of time. Disruptions of mass transit in the area that still continue have reduced pedestrian traffic to many area small businesses.

To maximize job retention, and to create conditions necessary for future job creation and economic expansion, government must ameliorate economic losses suffered by small businesses. In addition, affected small businesses need capital to help tide them over until more normal economic patterns return. Existing Federal programs, such as those offered by the Small Business Administration, have been particularly focussed on the need to meet working capital needs resulting from the disaster. The existing SBA Disaster Relief program specifically provides only the amount of working capital necessary to meet necessary operating expenses and obligations until business returns to normal. This element of the Action Plan focuses on the related, but separate, issue identified by Congress in appropriating funds to assist in the recovery: of providing compensation to businesses, particularly small businesses, for economic losses resulting from the disaster.

To assist in meeting small business working capital needs resulting from the disaster, the Small Business Administration offers low cost loans for physical damage and economic injury. Because of the significant economic impact of the attack, the Administration extended the eligible zone for economic injury well beyond the boundaries of New York City. To expedite the anticipated assistance to small business recovery in New York City that the SBA loans will provide, ESD partnered with EDC to capitalize a loan loss reserve fund. The fund enables private sector banks and community-based lenders to make short-term bridge loans available to businesses while they await SBA approval. ESD and EDC each committed \$25 million to capitalize this fund. Recently,

Congress provided SBA with the authority to provide working capital loan assistance to firms that were previously not eligible. At the same time, the legislation authorized changes in repayment terms that are more favorable to businesses that receive loans.

Unfortunately, many small businesses fear that the economic impacts of the disaster are so grave that they cannot risk further debt, without some assurance of recovery in their neighborhood and industry. As of the week ending January 11th, only 37 percent of SBA loan disaster loan applications had been approved. The 2,798 approved applications represent a very small portion of affected businesses. In part, this is because the design of SBA assistance programs can impose repayment burdens and collateral requirements on assisted firms and owners that are not realistic, given current business activity levels. Because of concerns about limitations in the availability of SBA disaster assistance, ESD in cooperation with EDC is proposing a business recovery loan fund, intended primarily to provide assistance to some businesses that cannot receive assistance from SBA.

The congressional legislation providing funding assistance to New York State as a result of the terrorist attacks of September 11th focuses largely on the purpose of providing compensation to businesses suffering economic losses as a result of the attack. By providing small businesses grants as compensation for attack related economic losses, New York can assist in their recovery, and the retention of employment in the lower Manhattan area. Thus, ESD in cooperation with EDC has budgeted \$396 million of the anticipated CDBG grant to compensate small businesses for disaster related economic losses. Funding will be used for the following activities, some of which have already been implemented. As is noted above, cost estimates are preliminary, and subject to change.

- **Bridge Loan Program -- \$15,000,000** (already making loans). ESD and EDC are providing funding for loan guarantees for banks and other community-based lenders offering bridge loans to businesses applying for SBA economic injury or physical disaster loans.
 1. This program assures that injured businesses can get access to capital quickly, while waiting for SBA approval.
 2. Seven banks are participating in the bridge loan program, including Banco Popular, The Bank of New York, JP Morgan Chase Bank, Citibank, N.A., Community Capital Bank, Fleet, and HSBC Bank USA.
 3. Seven community-based lenders are currently participating: Regional Economic Development Assistance Corporation; Washington Heights & Inwood Development Corporation; Nonprofit Finance Fund; SEEDCO; the Fund for the City of New York; ACCION; and Renaissance Economic Development Corporation.
 4. Lenders set their own terms, offering very low interest rates, often waiving transaction fees and deferring interest payments for up to one year.
 5. As of January 11th, the bridge loan program had approved 466 applications for approximately \$17.5 million.
 6. ESD anticipates that ultimate demand for the guarantee portion of this program will be no more than \$15,000,000. A portion of prior State and City expenditures subsequent to 9/11/01 will be reimbursed from CDBG funds.
 7. Objective – Provide assistance to companies with working capital needs, thereby helping retain 1,500 jobs at assisted businesses. Including businesses indirectly affected by the activities of assisted businesses, the program would affect 2,490 jobs. (Note – business assisted by this program will also be eligible for assistance from other programs in this Plan. Consequently, job impacts described are not additive).

- **WTC Business Recovery Grant Program -- \$331,000,000**
 1. The WTC Disaster Business Recovery Grant Program will provide grants to businesses (including not-for-profit organizations) south of 14th Street to compensate them for economic losses resulting from the disaster. The program will provide assistance in an amount up to 10 days of gross revenues, or \$300,000 per business (whichever is less), depending on location.
 2. Benefits from the program will be integrated with the previously offered WTC Disaster Retail Recovery Grant Program, which offered compensation equal to three days lost business revenue, capped at \$10,000, to retail and personal service firms with fewer than 500 employees located in lower Manhattan (south of Houston Street) on September 11, and continuing in business in New York City.
 3. Benefits from the program will also be integrated with the previously offered Lower Manhattan Grant Program administered by the New York City EDC. That program provided grants, capped at \$10,000 to small non-retail businesses located in the restricted area of Lower Manhattan, and grants to other non-retail businesses located south of Houston Street tied to application and approval of SBA loans.
 4. To be eligible for assistance through the WTC Business Recovery Grant Program, applicants must show a business lease, deed or permit that was in effect on September 11th in the areas described below, as well as a new business lease, deed or permit, if relocated, that confirms the on-going viability of the enterprise.
 5. Grants shall not be reduced by any benefits paid or payable by a grantee's insurance policy and correspondingly, the benefits paid or payable under such policies shall not be reduced or offset by such grants.
 6. Eligibility criteria and assistance levels are as follows:
 - **14th Street - Houston Area:** Businesses on or south of 14th Street, but not in one of the areas described below, will be eligible for compensation for two days of gross revenues, with a maximum award of \$50,000.
 - **Houston - Canal Area:** Businesses on the south side of a line running east from the western end of Clarkson Street, south of the centerline of Clarkson Street to the intersection with Washington Avenue, then west of the centerline of Washington Street to the intersection with West Houston Street, then south of the centerline of West Houston Street to the intersection of the Avenue of the Americas, then south of the centerline of East Houston Street to the bank of the East River, but not in the areas described below, will be eligible for compensation for three days of gross revenues, with a maximum award of \$100,000.
 - **South of Canal Area:** Businesses in the area on the south side of the line beginning at the intersection of the Hudson River with the Holland Tunnel, and running thence east to Canal Street, then running along the centerline of Canal Street, to the intersection with Rutgers Street, and then running along the centerline of Rutgers Street to the East River, but not in the area described below, will be eligible for compensation for five days of gross revenues, with a maximum award of \$150,000.
 - **Restricted Zone:** Businesses in the Restricted Zone within which all pedestrian and vehicular traffic was prohibited on September 19th (the area bounded by the area south of the centerline of Chambers Street from the Hudson River to Broadway, then the area west of the centerline of Broadway running south to Rector Street and the area north of

the centerline on Rector Street running west to the Hudson River) will be eligible for assistance equal to ten days of gross revenues, with a maximum of \$300,000.

7. Grants received from other City, State or Federal Government sources for the purpose of providing compensation for economic losses arising from the events of September 11th will be deducted from grants provided through this program.
8. We anticipate making 19,600 awards through the program.
9. ESD anticipates total program cost will be approximately \$481,000,000.
10. We are allocating \$331 million in this Action Plan for the WTC Business Recovery Grant program.
11. Objective – to provide compensation for economic losses at affected firms, thereby assisting in the retention of 225,000 jobs at assisted businesses. Including businesses indirectly affected by the activities of assisted businesses, the program would affect 374,000 jobs. (Note – business assisted by this program will also be eligible for assistance from other programs in this Plan. Consequently, job impacts described are not additive).
12. A portion of prior expenditures subsequent to 9/11/01 for the WTC Disaster Retail Recovery Grant Program and the Lower Manhattan Grant Program will be reimbursed from CDBG funds.

- **WTC Business Recovery Loan Fund -- \$50,000,000**

Through the program, funding will be provided for loans, loan loss reserves and grants for financing costs to make low-cost financing available to businesses and not-for profit organizations in New York City. Assistance would be available through ESD and EDC or private lenders, and may also capitalize micro-loan funds offered by not-for-profit community organizations.

1. Establishment of loan loss reserve program will provide a credit enhanced loan program through participating lenders offering working capital loans. The program will enhance access to working capital financing by affected businesses in New York City, particularly those that do not meet SBA credit or eligibility criteria for disaster loans.
2. The availability of grants for financing costs associated with these loans will make access provided through the program more affordable to assisted businesses.
3. Applicants for this program will be encouraged to first apply for assistance through available SBA lending programs, if they are eligible.
4. Small businesses that do not meet SBA credit standards for disaster loans will be eligible if they have some likelihood of survival if financial assistance is provided.
5. Also eligible will be businesses of all sizes (including not-for-profit organizations) that fall outside SBA guidelines. The increased availability of loans will meet the credit needs of firms that currently lack access to suitable credit, thereby increasing their viability.
6. Capital provided to not-for-profit community organizations will remain in the community available for ongoing micro-loan programs to sustain small business recovery.
7. Uncalled loan loss reserves will be used for infrastructure and rebuilding development of the devastated lower Manhattan area.
8. Repaid loans will be returned to the lower Manhattan redevelopment effort through additional loans and grants to small business for investments in workspace and business development.
9. Likely cost of loans and loan loss reserves, related grants, and to support not-for-profit loan funds, is estimated at \$150 million.
10. We are allocating \$50 million in this Action Plan for the WTC Business Recovery Loan Fund.

11. Objective – to help meet the working capital needs of affected firms, thereby assisting in the retention of 15,000 jobs at assisted businesses. Including businesses indirectly affected by the activities of assisted businesses, the program would affect 25,000 jobs. (Note – business assisted by this program will also be eligible for assistance from other programs in this Plan. Consequently, job impacts described are not additive).

Compensation to Other Businesses for Economic Losses

- **Additional Compensation to Lower Manhattan Business Establishments -- \$5,000,000**

In addition to providing compensation to small businesses for economic losses resulting from the disaster, ESD/EDC will assist businesses employing more than 500 nationwide, where those businesses operate one or more establishments on or south of 14th Street, each employing fewer than 200. These businesses will be eligible to receive grants on the same terms as the WTC Business Recovery Grant Program.

- We anticipate providing \$5,000,000 from the Action Plan for this purpose.
- Objective – to help meet the working capital needs of affected firms, thereby assisting in the retention of 2,000 jobs at assisted businesses. Including businesses indirectly affected by the activities of assisted businesses, the program would affect 3,300 jobs. (Note – business assisted by this program will also be eligible for assistance from other programs in this Plan. Consequently, job impacts described are not additive).

Technical Assistance for Small Business Recovery

- **Grants to Service Providers -- \$5,000,000**

ESD will provide grants to community based organizations and other service providers to enable them to provide additional technical assistance to businesses employing less than 500 that have been affected by the World Trade Center disaster. Because of the impact of the disaster, many New York City businesses will need assistance in meeting changed circumstances. Community based organizations provide technical assistance in areas such as strategic planning, marketing, finance and insurance, legal and basic business management. This aspect of the plan will ensure additional availability of technical assistance services to small businesses in New York City.

- ESD will allocate \$5,000,000 in this Action Plan for technical assistance grants to community based organizations and other service providers.
- 1. Objective – to help meet the working capital needs of affected firms, thereby assisting in the retention of 5,000 jobs at assisted businesses. Including businesses indirectly affected by the activities of assisted businesses, the program would affect 8,300 jobs. (Note – business assisted by this program will also be eligible for assistance from other programs in this Plan. Consequently, job impacts described are not additive).

Business Retention and Attraction

ESD and EDC estimate that 1,025 firms, employing more than 75,000 workers, were displaced by destruction or extensive damage to their workplace. Many more were displaced because nearby

streets were closed to vehicular and pedestrian traffic for a substantial period of time. Providing these firms with sufficient relocation assistance to assure that they resume operations in New York City is essential to the comprehensive revitalization effort. Many of these firms are in the financial, insurance and real estate (FIRE) sectors, which have particularly high indirect impacts upon related employment. That is, every one FIRE direct job supports more than two additional jobs in related businesses that provide goods and services to them.

ESD and EDC's primary goal is retention of businesses and their employment in the lower Manhattan area (generally defined as the area south of Canal Street). Unfortunately, the revitalization of the City cannot be accomplished solely by assisting existing lower Manhattan businesses. Some of these businesses will not survive their economic injuries; others will not return. Additionally, we need to ensure that New York City businesses that were outside lower Manhattan but whose viability was substantially affected by the disaster will recover from the economic effects of the attack and remain in New York City.

To attract new businesses in emerging industry clusters, we must find ways to make suitable space available. High technology, new media and biotechnology firms have specialized space needs that can be met in lower Manhattan if available space is retrofitted. With the presence of vacant space, and the availability of a suitable talent pool, we can assist in the diversification of the area's industrial base and the creation of new jobs.

Lower Manhattan once employed more than 627,681 workers, and served as the financial center for the City, the State, the nation, and the world. To rebuild this economic engine we will need to retain and create new jobs in lower Manhattan, protect other New York City jobs threatened by the economic effects of the attack, and to stimulate and support the reconstruction efforts to come. ESD and EDC will offer a combination of loans and grants to stimulate new business commitments.

- **WTC Job Creation and Retention Program -- \$170,000,000**

The program will offer grants, loan guarantees and low cost loans to assist firms displaced from their workspace for at least one month as well as other affected firms, and firms willing to create new jobs in the downtown area.

1. The program will provide assistance to businesses in the following situations:
 - Businesses located South of Canal Street at the time of the disaster that have remained within lower Manhattan.
 - Businesses located South of Canal Street at the time of the disaster that have temporarily relocated elsewhere because of the disaster.
 - New York City businesses that suffered significant economic dislocation because substantial numbers of their major customers were businesses south of Canal Street.
 - Businesses seeking to locate new operations and create new jobs in lower Manhattan. Assistance will enhance the cost-competitiveness of lower Manhattan location decisions, but will not be used to pirate employment from other states.
2. Assistance will be offered to firms employing 200 or more.
3. Assistance may be made available to businesses that made commitments after September 11th, 2001 and not later than December 31, 2004. ESD and EDC may extend the period of availability if funding is available at the end of the period.

4. Assisted companies will be required to maintain jobs in New York City for a minimum of seven years.
5. Decisions as to whether to provide assistance and how much to offer will be evaluated on an individual case basis based upon an assessment of the economic value of the project to New York City, risk, location and size of workforce.
6. Additional assistance will be offered to firms that relocate in lower Manhattan and contribute to the rebuilding of the business community there.
7. Through the program we will provide assistance for projects for the adaptive reuse of available space to meet the needs of firms with specialized requirements in industries offering substantial job creation potential to the area south of Canal Street.
8. We estimate the program cost to be \$400 million.
9. We are allocating \$170 million in this Action Plan for the Job Creation and Retention Grant and Loan program.
10. Objective – To help retain or create 80,000 jobs at assisted businesses. Including businesses indirectly affected by the activities of assisted businesses, the program will help retain or create 175,000 jobs. (Note – business assisted by this program will also be eligible for assistance from other programs in this Plan. Consequently, job impacts described are not additive).

- **Small Firm Attraction and Retention Grants -- \$80,000,000**

Attraction and Retention of small business establishments is an important, but difficult to achieve, objective of any successful recovery plan. Because there are thousands of small establishments operated by small and large businesses in the lower Manhattan area that will make decisions about whether to remain in the area, it is administratively impractical to provide assistance on a discretionary basis. Thus, ESD and EDC will offer grants to businesses on the following conditions:

1. The company's current lease must expire no later than September 11th, 2004.
2. The company must sign a new lease, or renew an existing lease for a minimum of five years beyond the current commitment.
3. The new lease must be signed not earlier than September 11th, 2001 and not later than December 31st, 2004. ESD and EDC may extend availability of assistance if funding remains at the end of the period.
4. Following signing or renewal of the lease, the company must employ at least 10 employees, and not more than 200 employees in an establishment in the eligible area.
5. The new lease is for space located in the area on the south side of the line beginning at the intersection of the Hudson River with the Holland Tunnel, and running thence east to Canal Street, then running along the centerline of Canal Street, to the intersection with Rutgers Street, and thence running along the Centerline of Rutgers Street to the East River.
6. ESD/EDC will make two payments of \$1,750 per employee to assisted companies.
 - The first payment will be made upon approval of the application for assistance.
 - The second payment will be made 18 months later based on the company's employment at that time.
7. **Businesses in the Restricted Zone:** Businesses operating in the Restricted Zone (the area bounded by the area south of the centerline of Chambers Street from the Hudson River to Broadway, then the area west of the centerline of Broadway running south to Rector Street and the area north of the centerline on Rector Street running west to the Hudson River) on September 11th, 2001 that sign or renew a lease for space in New York City within the area defined in Paragraph 5, will be eligible for assistance in the same manner as firms described in

that paragraph, except that ESD/EDC will make two payments of \$2,500 per employee. In the event that firms located prior to September 11th in the Zone described in this paragraph relocate outside the area defined in Paragraph 4 but within New York City, ESD/EDC will provide two payments of \$1,750 per employee in the same manner as is described above.

8. We are allocating \$80 million in this Action Plan for Small Firm Attraction and Retention Grants.
9. Total program cost is estimated at \$208 million.
10. Objective: to help retain and create 52,000 jobs through the program at assisted businesses. Including businesses indirectly affected by the activities of assisted businesses, the program would help retain or create 85,000 jobs. (Note – business assisted by this program will also be eligible for assistance from other programs in this Plan. Consequently, job impacts described are not additive).

Business Information

In order to ensure the effectiveness of the recovery effort, it is necessary to promote the availability of assistance programs funded through the Federal appropriation. Throughout the disaster recovery process to date, increasing awareness of available assistance, and how it may be accessed has been a substantial challenge. By providing adequate funding for program marketing, customer confusion can be minimized, and program utilization increased.

- **Business Information Program** -- \$5,000,000 will use available funds to market the WTC business assistance programs, in order to increase program awareness, effectiveness and participation.
- \$5 million of the disaster funds will be used for this effort.

Infrastructure Rebuilding

The actions listed above are essential short term activities, needed to stabilize New York City's economy. Equally essential, however, is redevelopment of the more than 25 million square feet of prime commercial office space that was damaged or destroyed, along with critical transportation and communications infrastructure. Without reconstruction of the area damaged and destroyed by the attack, lower Manhattan and New York City will be unable to provide employment opportunities essential to economic recovery. In addition, because the attack made access to the City substantially more difficult, without action to restore essential infrastructure, it will be not be possible to maintain existing employment, let alone restore jobs that have been lost as a result of the attack.

In order to begin the process of rebuilding the area damaged by the attack, Governor Pataki has established an ESD subsidiary -- the Lower Manhattan Development Corporation -- a joint State-City Development corporation, with significant development powers to enable reconstruction of the damaged area to advance.

Lower Manhattan Development Corporation will oversee transportation and infrastructure improvements, construction and development of the areas affected by the attacks, and the attraction and retention of business throughout the area. In addition to working with ESD and EDC to achieve the economic revitalization goals of job retention and creation detailed above, LMDC will manage redevelopment of the destroyed World Trade/Financial Center complex including memorial, public and commercial spaces. LMDC will also coordinate development of

transportation and communications infrastructure needed to complete the revitalization of Lower Manhattan as the world financial center and business hub.

- **Initial Planning and Design -- \$25,000,000.** This Action Plan will allocate \$25 million immediately towards initial planning and design efforts, not eligible for assistance from the Federal Emergency Management Agency, with additional funds needed later for implementation and construction.
 - We anticipate that substantial additional federal resources will ultimately be required to implement the necessary measures to redevelop the area of the attack.

Administration

Perhaps the most critical component of a comprehensive revitalization effort is the need for coordinated administrative management of recovery funds and services between the City and the State, and extending outward to include all other federal, community, private and not-for-profit organizations offering funds and assistance for business recovery.

For this reason, Governor Pataki and former Mayor Giuliani established the Lower Manhattan Development Corporation as an ESD subsidiary that will implement the redevelopment effort, a partnership that has been confirmed by Mayor Bloomberg. ESD will receive federal disaster funds for the State. With the creation of the Lower Manhattan Development Corporation, New York State and New York City have established a coordinated vehicle for the City's recovery that can administer funds and assure a well-coordinated response to business needs.

LMDC will be the future vehicle for reconstruction of the attack area and will work with ESD and EDC to provide essential services to affected businesses. From the first week of the attack and ensuing business crisis, ESD and EDC have committed their staff resources at the highest possible levels. ESD and EDC immediately established—and continue to staff—two walk-in assistance centers that brought together representatives from all relevant state agencies along with FEMA and SBA counselors. We also established—and will continue to staff—business assistance hotlines that have logged over 20,000 calls in the past four months. Upon announcement of the WTC Retail Recovery Disaster Grant Program, a temporary walk-in assistance center was established in lower Manhattan to make the grant application process as accessible as possible to small business owners, providing counselors who could help complete applications on-site and in several languages.

All of the businesses that have contacted ESD and EDC through the walk-in or hotline services have been assigned to case management staff, who maintain on-going contact with each business client until they have received all the assistance possible to resume successful operation. To assist case managers, we continue to compile and update a directory of all available business assistance from every federal, state, city, community, and private organization involved in World Trade Center disaster recovery.

This enormous workload has been handled to date by ESD and EDC staff. The establishment of LMDC will add additional administrative capacity, but, even so, the proposed funding structures above add substantial new administrative burdens that will require contracted administrative services and support that will be coordinated with existing staff efforts.

As Governor Pataki's and Mayor Bloomberg's designated lead agencies for business recovery and economic revitalization, ESD and EDC are well positioned to coordinate the multitude of business assistance programs and provide more centralized access to assistance information and coordinated delivery. With the establishment of LMDC, we have an even more effective structure to coordinate state and city efforts. The benefit to the business community is obvious. Coordination will benefit the assisting agencies as well, greatly reducing the likelihood that one business receives multiple forms of uncoordinated assistance, beyond any demonstrated need, while others go under-served for lack of funds. Coordination will also provide the opportunity to link resources to further maximize their benefits.

To maximize the efficacy of the proposed programs, the City and State will support private sector efforts to provide evaluative and business advisory services. This will help target assistance to viable enterprises, and assist business owners to utilize scarce public resources wisely. Volunteer efforts from the corporate and banking sectors are expected.

ESD and EDC will contract for administrative services as needed to develop an integrated data base management system, ensure coordinated delivery of the proposed business services, and reconstruction of the area affected by the attack. This will enable an efficient exchange of information among assistance providers about program offerings and award recipients, and offer businesses a more centralized and coordinated approach to seeking assistance.

- **WTC Coordination and Administration -- \$14,000,000** – HUD authorizes the use of up to ten percent (\$70,000,000) of the award for planning and administration. We plan to allocate up to \$14,000,000 for administration. As noted above, \$25,000,000 will be allocated for planning. The remainder will be used for programs. Reimbursement of prior administrative expenditures subsequent to 9/11/01 may be requested by the State and City.

Action Plan Amendments

Adding or deleting an activity or changing the planned beneficiaries of an activity will constitute a substantial change. In the event of a substantial change, the State will prepare an amendment to the approved Action Plan that will be subject to the same citizen participation process required for the initial Action Plan.

Anti-Displacement and Relocation Assistance Plan

The activities contained in this Action Plan do not contemplate displacement. However, should the potential for displacement occur, the State will undertake the following steps and will abide by the requirements of 49CFR Part 24 and 24 CFR Part 570.496a(c) and HUD Handbook 1378.

1. Maintain current data on the occupancy of residential units targeted for CDBG assistance – none currently planned.
2. Review all activities prior to implementation to determine the effect, if any, on occupied residential properties.
3. Include consideration of alternate solutions when it appears an assisted project will cause displacement, if implemented.
4. Require private individuals and businesses to consider other alternatives to displacement causing activities, if they are requesting CDBG assistance.

Monitoring

ESD will continuously monitor grant activities to maintain compliance with program requirements and to assure performance goals are met. The person responsible for ensuring compliance with all program requirements is Eileen Mildenberger . This person can be contacted at 212-803-3705.

The outcome of monitoring will be to identify and strengthen practices that result in meeting performance goals and compliance with program rules, and to identify and stop noncompliance, prevent its recurrence and mitigate any adverse effects caused by noncompliance.

The grantee will develop and maintain:

- Risk analysis procedures for each type of activity and for the program as a whole.
- An annual work plan, based on action plan goals and risk analysis results, that includes a monitoring strategy with specific scheduled monitoring tasks, describes workload priorities and designates specific staff and resources assigned to each task or priority
- Monitoring policies, procedures and guidelines as well as training updates or plans to get necessary expertise into the organization
- Policy for program performance evaluation by management or outside reviewers, and
- Reporting and information systems to track and monitor operations and activities.

Summary of Public Comments Received

Governor Pataki designated Empire State Development (ESD) as lead agency to coordinate business recovery from the World Trade Center disaster. ESD in cooperation with the New York City Economic Development Corporation (EDC) has proposed an Action Plan for the \$700 million appropriated to New York State through the federal Department of Housing and Urban Development (HUD) for economic recovery and revitalization in New York City. The Action Plan was published on December 26, 2001, for public comment. This portion of the revised Plan summarizes comments received about the Action Plan during the fifteen-day comment period, from December 26, 2001 – January 11, 2002, as required by HUD.

ESD conducted extensive public outreach to encourage comment to the Action Plan. An Executive Summary of the Action Plan was mailed to approximately 16,500 business located in Manhattan south of Houston Street with directions on how to access the full text version of the plan through multiple locations. An “Invitation for Public Comment” display advertisement was placed in several metro area newspapers, including *The New York Times*, *Newsday*, *Daily News*, *New York Post*, *Staten Island Advance*, *World Journal*, *El Diario La Prensa*, and *Journal News*. The full text of the Action Plan was available on the ESD website, as well as in paper copy at multiple locations in Manhattan. The Plan was available in English, Spanish, and Chinese language versions both on the web and in paper copy at appropriate community locations.

ESD received approximately 400 comments by mail, fax, e-mail, or voice mail message. The summary of comments below follows the categories in the Action Plan – Small Business Assistance, Retention and Attraction Assistance, Economic Revitalization, Infrastructure Rebuilding, and Administration – followed by general comments. Many of the comments received provided useful information about the needs of the disaster-affected community. As a result, ESD made significant modifications to the Action Plan to respond to the additional identified needs. The comments are summarized below in boldface italic, with the State’s response immediately following.

When ESD developed the Action Plan under comment here, the \$700 million appropriated to New York through HUD represented the only federal money in hand for business recovery and revitalization. Congress subsequently appropriated an additional \$2.0 billion through HUD for economic recovery from the World Trade Center attacks.

Small Business Assistance

Six commenters thought that small business assistance is too small a part of the overall package.

In response to concerns about the need for additional assistance for small businesses, ESD substantially revised the Action Plan to provide additional compensation for economic injury, make available additional working capital, and provide incentives to remain or locate in the downtown area.

The Action Plan dedicates more than half of total funds--\$476 million -- to small business grant and loan programs. Grants will be offered to all small businesses with fewer than 500 employees located on 14th Street and South in lower Manhattan. Small Firm Job Creation and Retention Grants will be

offered to business employing fewer than 200 that commit to locations south of Canal and Rutgers Streets by signing new leases or renewing existing commitments for at least five years. Business Recovery Loans will extend credit to some small businesses not able to meet Small Business Administration (SBA) credit eligibility criteria, as well as to businesses that are ineligible for SBA loans. Additional capital grants will be provided directly to community development organizations making micro loans to small businesses.

The Congressional appropriation for the \$2.0 billion required that \$500 million of the \$2.7 billion total economic recovery assistance to New York be reserved for small businesses and residents of lower Manhattan. New York will substantially exceed the Federal small business spending mandate.

Twenty-four commenters said that too much of the assistance is tied to Small Business Administration (SBA) loans. One commenter said that loans should be available up to \$1 million.

In fact, most of \$476 million in small business assistance offered in the plan is not tied to SBA loans. Both the WTC Business Recovery Grant Program and the Small Firm Attraction and Retention Grant Program provide assistance that is entirely independent of SBA loans.

With regard to loan assistance, the Federal Government requires that business assistance under this appropriation may not duplicate existing SBA disaster loans programs. The Federal Government has identified SBA loans as the primary form of disaster recovery assistance. ESD will establish a loan loss reserve program in cooperation with private sector lenders, whose primary purpose will be to extend credit to firms not currently eligible under SBA lending guidelines. Firms seeking loans under the Business Recovery Loan fund would be encouraged to first apply for SBA credit.

Forty-three commenters thought that the grant amounts are too small, often mentioning the three-day revenue loss as inadequate. Nine commenters thought that more funding should be devoted to grants. Several commenters, including the Ground Zero Elected Officials Task Force, noted that smaller companies wouldn't qualify for the maximum grant size. The Manhattan Borough President's Office urged that more help be directed to small businesses that were in the World Trade Center complex. Two commenters argued that revenue loss is an incomplete measure of business loss.

Based on comments received, ESD will make larger grants available through the WTC Business Recovery Grant Program. The revised program will offer grants of up to an amount equivalent to ten days of gross revenues, with a cap of \$300,000, to businesses most directly affected by the disaster. Other affected businesses would be eligible for either two, three or five days of gross revenues, with caps of \$50,000, \$100,000 or \$150,000. As requested, ESD has modified the Action Plan to provide larger grants to businesses located at or near the attack site.

ESD considered the following reasons in deciding to base the small business grants on days of lost revenue.

- HUD requires that grants for economic injury (or business interruption) assistance not duplicate insurance benefits or other loss compensation businesses may receive. Assistance will provide businesses with grants to compensate losses resulting from business interruption, and to a

limited extent, losses resulting from later reductions in area business activity that occurred as a result of the disaster.

- ESD notes that many smaller businesses will not receive the maximum allowable grant, because of insufficient gross revenues. However, applying the same revenue calculation to all injured businesses in a designated geographic area means that their grants are equally proportionate to their lost revenue.
- Basing the small business grants on days of lost revenue allows for a relatively simple verification and review process. Given that nearly 20,000 businesses will be eligible for these grants, ESD has sought to structure them in a way that will simplify the application process for businesses and expedite the review while providing fairness to applicants, so that firms in need receive funds as quickly as possible.

Nineteen commenters thought that the grants should cover a wider geographic area, including midtown Manhattan and the other New York City boroughs. Seventeen commenters said that assistance should be limited to lower Manhattan businesses, or that such businesses should receive preference.

ESD has expanded the area of eligibility for grant assistance through the WTC Business Recovery Grant Program to the area on or south of 14th Street, in response to this comment. Grants are limited to this area because it suffered the most severe dislocation, being essentially “closed” for several days or more. The 14th Street and south designation also provided a practical way for the State to identify the major area within which all firms suffered significant disruption of business activities, thereby simplifying the necessary due diligence by the State. The current program structure provides a reasonable balance between the need to provide wide compensation to affected businesses and the objective of offering assistance in a prompt and easy to access fashion. Affected businesses located in the rest of Manhattan and the other New York City boroughs will be eligible for loan assistance, both through SBA Economic Injury Loans, and ESD’s proposed WTC Business Recovery Loan Fund.

The Manhattan Borough President’s Office urged that the Retail Recovery Grant Program be reopened to accept new applications from an expanded area.

Under the revised Action Plan the both retail and non-retail businesses are now included in the WTC Business Recovery Grant Program. As requested, the new WTC Business Recovery Grant Program expands both the benefit amounts and the eligible area over those that were previously offered under the WTC Disaster Retail Recovery Grant Program, which closed on December 6, 2001. Because the benefits and eligible area have been expanded for retail (as well as non-retail) businesses under the new WTC Business Recovery Grant Program, the application period for all eligible businesses on and South of 14th Street will be open until December 31, 2002.

Retail business that already received a grant under the previous WTC Disaster Retail Recovery Grant Program and/or the Lower Manhattan Grant Program will have those award amounts deducted from any new WTC Business Recovery Grant award when they reapply.

Two commenters suggested that loan guarantees be offered.

The Business Recovery Loan Fund will provide loan loss reserves through private lenders. The loan loss reserve will operate similarly to a loan guarantee program, and extend credit to disaster affected businesses throughout New York City that are unable to access credit elsewhere. Although the program cannot offer credit to businesses that are unlikely to survive, even with the availability of additional working capital, it can reach a group of businesses that would not otherwise be served.

Two commenters indicated that there should be quality-of-life improvements in lower Manhattan. One comment made specific suggestions to clean up the streets and subway stations, provide grants for cleaning up buildings and offices (shampooing rugs, etc.), pay musicians from the Julliard School and Manhattan School of Music to perform on the streets, daily, around the area, and install flags, banners and visual displays.

Clean-up from the attacks is funded directly by the Federal Emergency Management Administration (FEMA) and is not part of the HUD appropriation accounted for by this Action Plan. Regular clean-up of the streets and subway stations is managed by the City of New York.

Firms can use grants and loans made under this program for such recovery costs as cleaning office space.

Three commenters noted that there was no assistance available for businesses started after September 11.

The Job Creation and Retention Grant and Loan Program can assist firms creating 200 or more new jobs in lower Manhattan. Firms must commit to maintaining jobs in New York City for a minimum of seven years. The Small Firm Job Creation and Retention Grant Program can assist firms that create or retain 10 or more new jobs in the area south of Canal Street.

Four commenters, including the Manhattan Borough President's Office and the Asian Americans for Equality organization asked that the Plan provide no-cost capital to the seven community lenders. One comment requested that community lenders be allowed to refinance existing loans for businesses affected by the World Trade disaster.

The Business Recovery Loan Fund will provide capital grants to reimburse non-profit community development organizations which have made micro-loans to small businesses. The terms and eligibility criteria for micro-loans will be established by community based lenders assisted through the program.

Three commenters noted that there is no discussion of Minority and Women-Owned Businesses and that MWBEs should receive preferences in contracting.

Minority and women-owned businesses are eligible for business recovery assistance under the same criteria as all other businesses impacted by the World Trade Center attacks. Programs offered through the plan are oriented to the provision of working capital. In the event that ESDC did award contracts, those contracts would be awarded pursuant to ESDC's established framework and goals intended to maximize MWBE participation.

Thirteen commenters thought that the programs should be open to businesses with poor credit history and to non-profits.

The Business Recovery Loan Fund program is designed to be accessible to businesses that cannot meet SBA credit requirements, but which have some likelihood of survival if financial assistance is provided. Also eligible would be businesses of all sizes that fall outside SBA guidelines, including not-for-profit and non-religious charitable organizations.

Seven commenters asked that the funds should be disbursed ASAP. Four commenters simply stated that there is an urgent need for small business assistance.

ESD agrees with this comment. The emphasis on small business assistance in the Action Plan recognizes the needs of these firms. As noted above, rapid disbursement of funds has been a guiding factor in program design.

One commenter suggested a policy of partial forgiveness of loan balances if jobs are created.

ESD will offer two programs that will provide grants to lower Manhattan businesses that create or retain jobs. The Job Creation and Retention Grant and Loan Assistance program will offer grants to firms employing 200 or more that commit to the retention or creation of jobs, while the Small Firm Attraction and Retention Grant Program will provide grants to firms employing between 10 and 200 that commit to job retention or creation in the area..

The New York City Partnership, a chamber of commerce representing many employers in the region, suggested that program implementation involve new partners providing small business assistance, including venture funds and CAPCOs, along with non-profit business assistance organizations such as technology development organizations. The Asian Americans for Equality encouraged greater reliance upon community organizations to provide one-stop services including information, technical and financial assistance.

ESD concurs with this suggestion and will look for opportunities to implement such partnerships. Several of the proposed programs have been designed to leverage the resources of private sector businesses and not-for-profit organizations. The Bridge Loan Program and the Business Recovery Loan program will provide assistance through commercial banks other community lenders. ESD will offer grants to Community Based Organizations and other providers to provide technical assistance to affected small businesses, and we will work with groups like the Partnership in developing strategies to retain and attract high potential industry clusters to lower Manhattan.

Three commenters noted the requirement of a lease document for grant programs does not accommodate firms with destroyed records.

ESD does, and will continue to accept, substitute evidence documenting past and current business activity in the eligible area in the case of firms with destroyed records.

Three commenters suggested that funds be invested in specific industries, including emerging technology businesses such as biometric technology, as well as apparel, air transportation,

printing and publishing, and food processing. The New York City Partnership, representing many employers in the region, suggested an industry focus on information technology and biotechnology.

ESD concurs that a focused retention/attraction effort for the high technology, biotechnology and new media sectors, among others, can contribute to the revitalization of lower Manhattan and the diversification of the region's economy. Consequently, ESD has revised the Action Plan to provide funding for this purpose.

One commenter indicated that to promote small business development, NYC needs to make various changes in zoning rules that would allow for development of lower Manhattan, especially the Lower East Side and Little Italy. The City also needs to aggressively market City-owned vacant properties in these areas through auction. The New York City Partnership, representing many employers in the region, suggested that the Plan allow for adaptive reuse of damaged or partially vacant downtown buildings.

Zoning revisions are the responsibility of the City of New York and not part of the scope of this Action Plan. Because ESD concurs with the value of investment for adaptive reuse of damaged buildings, particularly to attract and retain firms in sectors such as high technology, biotechnology and new media, among others, the Action Plan has been revised to provide funding for this purpose.

Two commenters spoke of the need for tax relief, with one commenter suggesting that there be a reduction in the double taxation on Sub Chapter S income (New York City's Franchise tax).

New York City's general corporation tax (GCT) disregards the federal S election (i.e., certain small business corporations electing not to be taxed as corporations for federal income tax purposes under subchapter S of Chapter 1 of the Internal Revenue Code are subject to the NYC general corporation tax).

The "double taxation" referred to occurs because the S corporation's income is taxed first at the corporate entity level and later at the personal income level (when the income is distributed to the shareholders). Any change to this tax structure would require the enactment of City and State legislation. This Action Plan provides a mechanism to distribute \$700,000,000 in Federal Funding that has been offered to assist New York's economic recovery from the World Trade Center Disaster. Restructuring of the City tax code is beyond the scope and authority of this Plan.

One commenter suggested that the self-employed be eligible, while another urged eligibility for street vendors.

Sole proprietorships are eligible for the small business grant programs. Street vendors are also eligible if they supply an affidavit from a nearby business confirming that the vendor maintained a regular business presence within the eligible area.

One commenter suggested that relief be provided for the huge increases in property/liability insurance faced by Manhattan businesses.

HUD requires that compensation to business be tied directly to losses suffered from the World Trade Center attacks, or to efforts to retain and attract employment in lower Manhattan. Changes to the cost of liability and property insurance appear to be nation-wide and cannot be so directly tied to the unique losses of businesses in New York City and lower Manhattan.

One hundred six small business owners in the Tribeca neighborhood signed a form petition letter suggesting that funds be devoted to paying the rent of small business owners below Canal Street for a period up to six months or up to \$25,000 each.

ESD has modified the Action Plan in response to comments to include a Small Business Attraction and Retention grant program. Businesses employing at least 10, but not more than 200 workers, may apply for attraction and retention grants valued at \$3,500 or 5,000 per employee. To qualify they must be located in the area south of Canal and Rutgers Streets, and must have recently signed a new lease, or renewed an existing lease, extending the commitment at this business location for an additional five years. Payment will be offered in two installments, with verification of employment and lease status required at each interval. Please refer to the revised Action Plan for complete detail on this new program element.

Retention and Attraction Assistance

Three commenters found the program to be too big business oriented.

As noted above, ESD has modified the Action Plan in response to comment, to include a Small Business Attraction and Retention grant program, serving businesses that employ between 10 and 200 workers. This program will offer grants valued at \$3,500 or 5,000 per employee to firms in the area south of Canal and Rutgers Streets. Eligible firms must have recently signed a new lease, or renewed an existing lease, extending the commitment at this business location for an additional five years. Payment will be offered in two installments, with verification of employment and lease status required at each interval. Please refer to the revised Action Plan for complete detail on this new program element.

One commenter said that the program is overly geared to high-paying jobs.

The Action Plan guidelines for the Job Creation and Retention Grant and Loan Program, as well as the guidelines for the Small Firm Attraction and Retention Grant Program, do not discriminate among various types of jobs and their rate of pay. Both programs seek to attract and retain significant numbers of jobs of all kinds, and grants are geared toward total full-time employment levels.

One commenter argued that there should be a marketing campaign to convince businesses to stay in lower Manhattan.

The terms of the HUD award specifically restrict the use of funds for marketing and promotion efforts on behalf of New York City or any of its business sectors, including tourism. However, the HUD terms, and therefore this Action Plan, do allow the use of funds to promote the availability of

business assistance programs. This Action Plan allocates \$5 million for a Business Information Program that will promote the availability of grants, loans and other forms of assistance to businesses that remain or newly locate in lower Manhattan.

Two commenters thought that assistance should be primarily for large and medium-sized businesses.

Small business is generally defined as firms employing fewer than 100 people, while medium-sized business is defined as firms employing between 100 to 500 people. Large firms are defined as those employing 500 or more people. HUD guidelines restrict funds for damage compensation and economic loss to "small businesses" and define small business as firms employing fewer than 500 people. Large business assistance is confined to job retention and creation.

This Action Plan has grouped what are generally considered medium-sized businesses (those employing between 100 to 500 workers) with small businesses (employing fewer than 100 workers) for most of the program elements. By this definition, medium-sized businesses are eligible for the WTC Business Recovery Grant Programs. Most medium and large businesses may be eligible for the Job Creation and Retention Grant and Loan Program, depending upon their location decisions and employment commitments. Those medium-sized businesses employing between 100 and 200 workers may be eligible for the Small Firm Attraction and Retention Grant program depending upon their location decisions and employment commitments

Large firm retention and attraction plays an important role in small business recovery. Similarly, noted is that small business retail, service and supply firms provide an important function in the quality of life and business services for large firms remaining and locating in lower Manhattan. Helping both groups is essential to the recovery of each sector. For that reason, the plan offers assistance to both large and small firms.

The Manhattan Borough President's Office expressed concern that attraction and retention incentives be balanced so that new firms coming into lower Manhattan not receive greater assistance than the firms that remain and continue to struggle with recovery.

The Small Firm Attraction and Retention grant program offers comparable benefits of at least \$3,500 per employee to firms with between 10 and 200 workers, who sign new leases or renew existing leases in lower Manhattan. Thus, both existing area firms and firms new to the area are treated equally.

The Manhattan Borough President's Office expressed concern about the eligibility of a small business that was forced out of a damaged building and has not yet been able to find a new business location.

The Small Firm Attraction and Retention Grant Program will accept applications through the end of 2004. Any presently dislocated business that signs a new lease prior to December 31, 2004 will be eligible to apply for retention assistance.

A university suggested that replacement of lost classroom space be considered an eligible retention expenditure.

FEMA offers funding for replacement of public facilities, such as university classrooms damaged or destroyed by the attack. Consequently, they are ineligible for funding from this source.

Economic Revitalization

The New York City Partnership, representing many employers in the region, suggested that funds be devoted to the attraction of high-end, or “destination” retailers and revitalization of retail clusters.

ESD anticipates working with the Partnership to identify opportunities to encourage the development of “destination” retail in lower Manhattan, and is prepared to offer appropriate assistance to facilitate downtown retail development, through the Job Creation and Retention Grant Program and the Small Firm Attraction and Retention Program.

Five commenters noted that there was no dedicated assistance for tourism businesses.

Tourism-related operations, such as restaurants, museums, and theaters, that meet the guidelines for the Business Recovery Grants (including continuing operation in lower Manhattan and employing fewer than 500 people) are eligible for grant assistance. Other tourism-related businesses operating outside of lower Manhattan may qualify for loans under the Business Recovery Loan Fund.

As noted previously, HUD precludes the use of these funds for tourism marketing purposes.

The Manhattan Borough President’s Office asked that some funds be allocated to local organizations to help them promote their neighborhood business districts.

As noted, HUD precludes the use of these funds for marketing purposes. However, the revised Action Plan allocates \$5 million for Business Information. Some of these funds may be awarded to local community organizations to promote Business Recovery assistance within their community.

Infrastructure Rebuilding

The New York City Partnership, representing many employers in the region, suggested that Plan funds should “jump-start” the work of the Lower Manhattan Development Corp. (LMDC) in upgrading downtown infrastructure that is critical to business retention and attraction.

This Action Plan allocates \$25 million to the LMDC for initial planning and design work for the damaged and destroyed area of lower Manhattan. Congress provided LMDC \$2.0 billion in a subsequent appropriation that may be used for upgrading downtown infrastructure.

One federal official noted that the “FEMA Public Assistance program will pay all eligible costs of planning, design and construction of infrastructure damaged in the WTC disaster (after insurance). The funding for these activities is provided to the local, state or bi-state agency whose facilities were damaged through the NY State Emergency Management Office

(SEMO). For this disaster, the President has established a 100% federal share, so there is no matching requirement for the eligible applicants. The primary beneficiaries of this type of federal assistance will be the State of New York (including the Metropolitan Transportation Authority), the City of New York, and the Port Authority of New York and New Jersey. FEMA staff is already working with these agencies to assess their damages and provide funding through the Public Assistance program. Therefore, it may be worthwhile to reallocate a portion of the \$25 million set aside for "Infrastructure Rebuilding" in the WTC Spending Plan to other needs that cannot be funded under existing programs. Additionally, the Federal Highway Administration could cover infrastructure cost for eligible work in the same arena."

The \$25 million allocated to planning and design efforts under this Action Plan will enable the LMDC to plan how best to redevelop the destroyed and damaged site. The plan must balance the many needs and uses the redeveloped site must serve and reflect broad community involvement. That community includes the interests of landlords, business tenants, neighborhood residents, victims and their families, people from the rest of New York and New Jersey who rely upon lower Manhattan as a vital transportation link, as well as economic recovery for the City of New York. This planning is substantially different work from the physical rebuilding of any particular component of the transportation infrastructure of the area. While project specific planning is eligible for funding from FEMA, planning unrelated to a specific reconstruction project is not.

Consolidated Edison, a public utility serving the area, requested \$103 million in compensation for costs incurred and pending for the rebuilding of damaged infrastructure in lower Manhattan. If an infrastructure grant were not possible, Consolidated Edison asked to be compensated under the Job Creation and Retention Grant Program, arguing that infrastructure repairs and upgrades are essential to the retention and attraction of firms in lower Manhattan. This comment was supported by comment from the Public Service Commission and the Business Council of New York State, Inc. The Business Council extended its support for Consolidated Edison to a more general request that telecommunications providers also be compensated for infrastructure repair and upgrades in lower Manhattan resulting from the attacks. Both supporting letters commended the utilities for their round-the-clock work to restore infrastructure access.

This Action Plan restricted infrastructure investment to the initial planning and design work of the LMDC. Further infrastructure rebuilding efforts can be considered under the subsequent action plan for the additional \$2.0 billion appropriation. HUD guidelines and this Action Plan restrict large business assistance to direct business assistance efforts that attract and retain employment in lower Manhattan. Beyond that the public comment process is not a proper venue for evaluating individual business requests for assistance.

Five commenters offered reconstruction proposals: new buildings should have a pinnacle roof, a World Freedom Center should be constructed, etc. Another commenter said that restoration of number 2 and 3-subway service should be part of the Plan.

These comments speak to a level of detail for the redevelopment effort that is beyond the scope of this Action Plan.

One commenter said that it would cost too much money to rebuild the area.

In the aftermath of the attacks, President Bush made a commitment to rebuild New York, and to provide the federal funds needed to complete that effort. Governor Pataki and Mayor Bloomberg have affirmed the vital role that lower Manhattan plays in the economy of New York City, New York State and the nation. As in the past, much of the responsibility for redevelopment will be assumed by a partnership of private and public organizations. Governor Pataki is committed to completing the work of rebuilding lower Manhattan.

One commenter stressed the need for installation of broadband Internet availability in lower Manhattan.

The revised Action Plan allocates funds to the adaptive reuse of damaged or vacant buildings designed to serve high-technology, bio-technology and new media businesses. This could include providing broadband access.

One commenter discussed the need for affordable public housing in lower Manhattan. The Rebuilding for All: Spotlight on the Poor Coalition felt that redevelopment planning must include input from low-income people, public housing residents and the affected communities of Chinatown and the Lower East Side. The Coalition requested that a portion of all reconstruction funds be earmarked for low-income housing citywide.

Congress has provided \$2.0 billion in additional funding to LMDC. Funding for this purpose will be considered for inclusion in that Plan.

Three commenters suggested that lower Manhattan businesses receive preference in reconstruction work contracts.

As noted previously, this Action Plan directs assistance to individual businesses that suffered economic losses as a result of the World Trade Center attacks, and provides assistance to firms that create and retain jobs in lower Manhattan. A construction firm located in lower Manhattan, employing fewer than 500 people may be eligible for the Business Recovery Grant Program and/or the Business Recovery Loan Fund.

This Action Plan does not provide funds for rebuilding and therefore the allocation of construction contracts lies outside its scope.

Administration

Three commenters thought that these funds could be better used if devoted to business assistance.

HUD guidelines allow up to 10 percent of total funds (\$70 million) for administrative costs, recognizing that the work of disbursing a large fund responsibly, equitably and quickly, creates a large administrative burden. Nonetheless, ESD is committed to keeping administrative costs as low as possible so that more of the fund can be devoted to business assistance. Therefore, ESD is limiting administrative costs to 2 percent of the total fund (\$14 million). ESD has worked to provide an exceptional level of personal service to impacted businesses, and will continue to provide such service, as well as to contract with local organizations for enhanced service to impacted businesses.

The Ground Zero Elected Officials Task Force requested greater detail for the \$39 million allocated to administrative costs.

\$25 million of the administrative fund is allocated to the initial planning efforts of the LMDC relating to rebuilding the attack site and related infrastructure, as noted above. We expect that the balance of \$14 million will be used by ESD, the City, and other local partners to implement the spending programs outlined in the revised Action Plan. ESD and the City Economic Development Corporation have already incurred significant costs in serving the impacted businesses of lower Manhattan. Some of these costs include maintaining walk-in and call centers, mailing costs, temporary workers to review applications, and the development of an integrated data base with shared access. Going forward, ESD anticipates greater contractual reliance upon local community organizations to provide outreach and technical assistance to small businesses, and augmented efforts to provide walk-in and call center service to the business community. Finally, it should be noted that the amount allocated for planning and administration is an estimate, and may vary depending on actual experience.

Three commenters said that Chinese-speaking personnel should be available to take applications, that in-person assistance is essential, and that a full array of services need to be offered to Chinatown businesses and Chinese-speaking residents of lower Manhattan. An additional commenter suggested use of a “drop-down” menu approach in Business Recovery Loan Fund applications, to further those with limited English skills.

ESD has provided Chinese and Spanish language translations of the Action Plan. ESD also provided Chinese language-proficient staff at the Retail Grant walk-in center to assist Chinese speakers with the application process. ESD will continue to provide Chinese— and Spanish— language translations of key business assistance documents and Chinese language-proficient staff where possible. ESD will seek to work with Chinese-American community groups to further improve access to the programs by Chinese-speaking business people.

General Comments

Forty-nine commenters indicated that they were supportive of the Plan.

No response needed.

Seven commenters asked that required paperwork be kept to a minimum.

The Retail Grant Program featured a one-page application that could be completed in a few minutes. The forthcoming WTC Business Recovery Grant Program will continue to keep the application process as short and simple as possible, while also capturing sufficient information to protect the program from fraud and abuse. The WTC Business Recovery Loan Fund will require information needed for standard underwriting practices. To the extent possible, we will make loan applications consistent with the SBA's loan application forms.

One commenter asked if there would be adequate safeguards to ensure that companies are not abusing the assistance.

Each business assistance program establishes verifiable criteria to guard against fraud and abuse. Applications for assistance require business documentation that strikes a balance between rapid response to urgent business needs and assurance that assistance is provided only to those firms that fulfill the eligibility requirements.

Part of the administrative allocation will fund the development of an integrated data base, accessible to both ESD and the City, to provide the means for verifying that companies not receive assistance in excess of their eligibility.

One commenter said that the Plan should promote business protection services – contingency planning, employee safety training, etc.

This Action Plan focuses on meeting the most immediate business recovery needs for economic injury assistance and the attraction and retention of jobs. Businesses that receive assistance from this Program may consider using some of it for protection planning and protection services if they judge that to be an immediate recovery need for their firm.

One commenter asked that property taxes be reduced near ground zero, while another urged the state not to cut aid to upstate cities.

The power to cut taxes and fund state programs resides with the State Legislature, and falls outside the authority of the Action Plan which is restricted to spending the federal business recovery appropriation. The issue of state aid to upstate cities is outside the scope of this Action Plan.

One commenter said that the most helpful assistance that government could provide would be to facilitate return of security deposits from the WTC landlord.

The power to interpret and enforce real estate contracts lies ultimately with local and state legal system and outside the authority of the Action Plan which is restricted spending the federal business recovery appropriation.

A homeowners association representing 2,300 condos in the area called for incentives to stabilize the residential population in the area. The coalition suggested full abatement of ground rent and Payment In Lieu of Taxes (PILOT) payments for up to 4 years, with an estimated cost of \$96 million. The Ground Zero Elected Officials Task Force noted the

imperative need for residential assistance to avert an exodus and noted the Congressional stipulation that \$500 million of appropriated funds be dedicated to small business and residents of lower Manhattan.

ESD recognizes the need for assistance to the residents of lower Manhattan. LMDC will consider the need for assistance to residents of lower Manhattan for inclusion in the Action Plan to be formulated for spending the subsequent \$2.0 billion appropriation which will be published shortly.

Three commenters said that the Plan should address the needs of low-income workers. Another commenter suggested that funds be devoted to workforce development

By promoting business stabilization, job creation and retention, this Action Plan will help prevent further job losses in lower Manhattan and create new jobs, many of which will be open to lower income workers.

One commenter suggested that the Plan should reserve some funds for as yet unknown long-term needs. The U.S. Dept. of Commerce, Economic Development Administration noted that disaster recovery is a "work-in-progress" and recommended that ESD reserve final decisions on some portion of the grant until a long-term economic recovery strategy can take shape.

ESD's objective is to deliver funds to injured businesses, and to attract and retain job-creating firms as quickly as possible. Congress has appropriated an additional \$2.0 billion, for which LMDC will publish an action plan shortly. Some of that fund may be reserved for longer-term needs. However, it is important to note that HUD expects New York to spend all appropriated disaster recovery money within a three-year time frame.

The Rebuilding for All: Spotlight on the Poor Coalition requested that the fund provide immediate relief for all immigrant workers regardless of immigration status; create publicly subsidized jobs for displaced workers and welfare-to-work recipients; provide apprenticeship and training programs for unemployed people; remove the cap on street-vending licenses; and require that corporations receiving government assistance provide living-wage jobs for low-income workers. The Community Service Society of New York recommended that a portion of funds be used to create a transitional jobs program targeted to low-wage workers in sectors with high job losses such as retail, restaurants and tourism.

The overall objective of the revised Action Plan is to retain and create jobs in lower Manhattan. As firms are retained, workers displaced from lost jobs will be able to go back to work. As new firms are attracted to the area, they will create new jobs for the people of lower Manhattan. Business in every sector includes a mix of jobs, requiring a range of skills, and offering a range of pay and opportunity for lower and middle-income workers. This plan focuses on retaining and creating jobs as quickly as possible, believing that offers the greatest benefit and opportunity to all.

List of Commenters

168 Car & Limo Service Company
313 Corporation
455 Broadway Realty, LLC/Iceberg Overseas Supplies
67 Liberty Gourmet
A Taste of Art
A&M Roadhouse
AAB O DANA, LLC
Absolute Asia
ACCION New York
Admiral Communications
ADR Productions, Inc.
Aileen Oser, Inc.
Air-Tech Unlimited
Alan Guttmacher Institute, The
All Instant, Inc.
All Risk Associates, Ltd.
Ambrica Productions
Anamika, Inc, d/b/a Kiran Indian Restaurant
Ancient & Classic, Inc.
Andrew Kalotay Associates, Inc.
Anna's Place, Inc.
Antik
Aprescott's Inc. (Yaffas Restaurant)
Arqua Restaurant, Inc.
Art Digital Technologies, LLC
Art Flag Co., Inc.
Asian Americans for Equality
Atkinson, Inc.
Atlantic (USA), Inc.
Au Ag Lane Jewelers
Azafran LLC
B Harris, Inc.
BioContinuum Group, Inc., The
B.M.W. Cousins Sportswear, Inc.
Back Yard Kitchen
Balloon Saloon
Bangal Curry, Inc.
Baseline Design
Battery Park City Homeowners Coalition
Bigham Englar Jones & Houston
Biz Kids NY, Inc.
Bocconna d.b.a. Rosarios
Bondholder Communications Group
Borough of Manhattan, City of New York
Brewbakers
Broad Street Jewelers
Bubble Lounge, The
Burden & Izett, Ltd.
Business Council of New York State, Inc., The
C & L Commodities Corporation
Canada LLC
Capital Partner, Ltd.
Capsouto Fieres Restaurant
Carini Lang LLC
Carpenter Group, Inc.
Catering
Cauba caleccion de muebles
CCA Construction Consulting Assoc., Inc.
Cedar Capital Management Associates
Chamber Convenience Store
Chanterelle
Cheryl Pelavin Fine Art
Cheung Lee Pharmacy
China News Weekly
China Travel
Chromazone
Church Fruit, Inc.
Cinderella Travel Corp.
City Apparel
City Copies
City Guide Magazine
City University of New York, The
City Wigs
Cleveland Fruits & Vegetable, Inc.
Coalition: Rebuilding for All: Spotlight on the Poor
Comida, Inc. DBA Ideya
Community Board #1
Community Service Society of New York
Compuline.Com, Inc.
Computer Book Works
Consolidated Edison Co. of New York, Inc.
Country Cafe
Crain Corp. d/b/a Room
Crea France US, Inc.
Cunningham Group, Inc.
D.L. Cerney
Dave Jewelers
Delphi Restaurant
Digital Dirigible, Inc.
DNA Model Management, LLC
Dog Wash, Inc., The
Doggie Day Care, Inc.
Downtown News
DRS
Duane Antiques & Interiors
Duane Park Café
Duane Park Patisserie
Duck River Restaurant

Dudley's Paw
 Dune Inc.
 Dylan Prime
 El Teddy's
 Elan Flowers
 Elmira Professional Firefighters
 Elta Electronics, Inc.
 Empire State Development
 Epperson Studio
 Excelsior, Inc.
 Famous Pizza, Inc.
 Fat Free Foods
 FD Shoe Plaza, Inc.
 Fem Health Gynecology, P.C.
 FEMA Region 2
 Field & Tab, Inc.
 Fine Creations Unlimited, Inc.
 Fine Point Technologies, Inc.
 FirmName
 Fitch Group, The
 Flor de Sol Restaurant
 Fourteen Wall Street Jewelers
 Francis A. Schiro
 Franklin Station Café
 Future Phase Computer Systems
 Game Park, Inc.
 Garment Industry Dev. Corporation, The
 General Shoe Repair Corp./B. Nelson Shoe Corp.
 Global Forwarding Ltd.
 Good Luck Candy & Tobacco
 Greater Blouse Skirt & Undergarment Association, Inc.
 Grill on the Corner
 Ground Zero Elected Officials Task Force
 H & I Global Securities, LLC
 Hana Sushi America, Inc. (Tribeca Hana)
 Harris Levy, Inc.
 Harrison, The
 Hattitude
 Heh Building Consultants
 Heron Ltd.
 Hillary Taylor Personnel Consultants
 House Small Business Committee
 Hudson Williams, Inc.
 I. P. N. Delicate
 ICGB Headquarters
 Intera Corp., Inc.
 Interhemisphere Tours
 Interior Builders Group, Inc.
 InternetFundManager.com, Inc.
 InterSource International
 IT Management
 Italilan Wine and Food Institute
 Jacobson Printing
 Jefron Messenger Service
 Jewelite Signs & Letters
 John N. Fehlinger Co., Inc.
 John Street Fitness Club
 JP Morgan Chase
 Jung Shin Nail Corp.
 Jung Shin Nail Corporation
 Kading Companies, SA
 KDLAB
 Kevin Furniture
 Kim's Cleaners
 Kings Pharmacy
 KnitMedia, Inc.
 Koh Art Gallery, Inc.
 Kori Restaurant
 Kouraba Koyin Gift Store
 LaBosa DeRoma Restaurant
 LaChic Jewelers & Handbags, Inc.
 LaLumia
 Langdon Florist
 Laterza Group, Inc.
 Legacy
 Legal Services for New York City
 Les Migrateurs, Inc.
 Let Them Eat Cake, Ltd.
 Lillian Ball Studio, Inc.
 Liquid Lab, The
 Little Folk Art
 Living Word Church
 Loci Architecture
 Lotus Tours, Ltd.
 Lower Manhattan Cultural Council
 Madeline's
 Maiden Lane Wine & Liquors
 Manhattan Beauty Supply
 Manhattan Borough President's Office
 Manna Catering, Inc.
 Mao Mao Restaurant
 Marco Sales
 Marshad Enterprises, Inc.
 Marusa Group Enterprises, Inc.
 Medical Associates of Wall Street
 Menenisha Corp DBA Columbine
 Metrojeans, Inc.
 MFY Legal Services: Spotlight on Poor Coalition
 Mighty Seven Networks
 Millefleurs Day Spa
 Miller Executive Search
 Minas Shoe Repair
 Moshell's, Inc.
 Mr. Wireless

Nagoya Japanese Fast Food
NDRI, Inc.
Nema Hunter, Inc.
New Fresco Tortillas
New Taco House, Inc.
New York Board of Trade
New York City Arts Coalition
New York City Partnership
New York City Small Business – Art Gallery
New York State Department of Transportation
New York State Emergency Management Office
New York State Public Service Commission
Nicolina
Nikki B.
NOW Legal Defense & Education Fund
Nyabinghi Africa Shop
Nyack College Manhattan Center
Oliveri & Schwartz
Open Door, The
Oren Tours, Inc.
Oro Blu Restaurant
P. B. Gallery
Panmedix, Inc.
Papa Joe's Pizza
Parsons, Fernandez, Casteleiro (Architects)
PCX Trade
Penny Travel Corp., DBA Travel Network
Persepolis Travel
Pescepolla
Petite Abeille
Photo Expressions
Physical Graffiti Vintage Clothing Store
Pichmore Corp.
Pico Restaurant
Prince Street Copy Center
Privett Special Risk Services, LLC
Queens County Overall Economic Development Corporation
Quisqueyana Cigars, Inc.
Quontone International
Raimo's Restaurant
Rainbow Fund, Inc., The
Randa Group, Inc.
Ray's Barber Shop
Re/Max Frontier
Registered Representative
Restaurant
Richard Wonder & Associates, Inc.
RIP Construction Consultants, Inc.
RIR Consulting Group
Roc Restaurant
Royal Oak Foundation, The
Sage Fitness

Salaam Bombay, Inc.
Santini Office Movers, Inc.
Searchspace
Securities Consulting Group, Inc.
Seedco
Selldor Architects
Shack, Inc.
Shield Press, Inc.
Shoe Steal, Inc.
Si Qi Construction, Inc.
Simpson Thacher & Bartlett
Sino-American Tours
Soho Juice Company
SoHo Pharmacy
Soho Robata, Inc.dba. Tennessee Mtn. Restaurant
South Street Seaport Museum, The
Sox Imaging, Inc.
Sporting Club, The
Spy's Nut & Candy Company
Square Diner, Inc.
St. Charlie's Restaurant
Steamers Landing Restaurant
Studeon, Inc.
Studio Petrarca llc & Downtown Greenwich llc
Sunrise Kitchen Supply
Support By Design, Inc.
Sureway Worldwide & Global Delivery Systems
T&D
TAM Restaurants, Inc.
Tam U.S.A. Inc.
Taste of Tandoor
Telephone Sales and Service
Ti-Tone Communications, Inc.
Too White, Inc.
Tower Computer Services
Tribeca Gardens, Inc.
Tribeca Luggage & Leather
Tribeca Nails
TriBeCa Organization
Tribeca Upholstery & Draperies
Tribeca Wine
Turon Travel, Inc.
Unique Printing & Stationery Co., Inc.
Unique Support Services, Inc.
United Seamen's Service
Urban Justice Center
Van Buren & Hauke, LLC
VARDA Shoes
Victory Machinery Exchange, Inc.
VISIONS/Services for the Blind & Visually Impaired
Walker Supply Corporation
Wall Street Access

Wall Street Realty Capital, Inc.

Wall Street Rising

Washington Heights & Inwood Development Corp.

Weinfeld Skull Cap Manufacturing Company

Westchester Business Dev. Organization/Las Americas Financial Svcs., Inc.

Wet Electrics

Whisler

Whizgrill, Inc.

Windsor Commodities

Workhouse Publicity

Worth Street Blimpie, Inc.

Xiaoping Design

Zeitgeist Films, Ltd.

Zoogy, Inc.

Zutto Restaurant