



Guidelines for the Small Firm Assistance Program

Program

The Small Firm Assistance Program (the “Program”) has been established by the Lower Manhattan Development Corporation (LMDC), in cooperation with the New York City Department of Small Business Services (SBS) and the New York City Economic Development Corporation (EDC), to promote economic development by assisting small firms that have suffered business disruption as a result of publicly-funded construction projects. The program seeks to mitigate the adverse effects of reduced traffic to small firms affected by the temporary closure of streets or sidewalks and to address the potential for blight. Grant awards will contribute to a firm’s working capital.

Program Funding

Funding for the Program is being made available from an appropriation to New York State by the United States Department of Housing and Urban Development (HUD).

I. General Grant Information

A. Eligible Firms

Assistance will be provided to any “Eligible Firm” that is still in business at the “Eligible Premises” at the time of application and grant payment, and complies with the terms of these Guidelines, and meets the following criteria (see Definitions of terms in Section II below):

- (i) is a for-profit Retail Business; and is
- (ii) located in the Eligible Area; and is
- (iii) located on an Eligible Block; and is
- (iv) an Eligible Premises; and
- (v) submits an application that shows a Demonstrated Impact on net income, revenues, or operating expenses, net of any proceeds from business interruption insurance or other Federal assistance, during the period of the street or sidewalk closure; and
- (vi) submits a Grant Request Form (included with the application); and is
- (vii) current on all taxes and other municipal charges.

B. Grant Amounts

Subject to the requirements set forth in these Guidelines, Eligible Firms may be awarded grants computed as follows:

- (i) \$2.50 per square foot of owned, leased or rented space at Eligible Premises;
OR
- (ii) the amount of realized economic loss as shown in the applicant’s Demonstrated Impact statement, whichever is less.

Program grants will be capped at \$25,000 in the aggregate for each Eligible Firm.

II. Definitions

A. Eligibility Period

The Eligibility Period for the Program will begin on July 1, 2007 and includes construction projects underway on this date and projects commencing thereafter until all funds are disbursed or until the Program concludes on December 31, 2010. It is highly recommended that you apply as soon as you are eligible because funds are limited.

B. Retail Business

A Retail Business is defined as a business that sells or provides a good or service. To be eligible, neither the owner of the business nor the business itself may employ more than 50 people. For the avoidance of doubt, an applicant will not be eligible if it employs more than 50 people at its location on the Eligible Block. Similarly, an applicant will not be eligible if it employs less than 50 people at its location on the Eligible Block, but the applicant has more than 50 employees in the aggregate.

C. Eligible Area

The Eligible Area is that area within the Borough of Manhattan bounded on the north by Canal Street (including both sides of Canal Street), from the Hudson River to Rutgers Street (including both sides of Rutgers Street), then southeast along Rutgers Street and continuing along Rutgers Slip (including both sides of Rutgers Slip), to the East River.

D. Eligible Block

An Eligible Block is a block on which the street or sidewalk has been closed or partially closed for at least fifteen days within any thirty consecutive day period due to a publicly-funded construction project as determined by LMDC. The street or sidewalk closure must occur during the Eligibility Period. Publicly-funded construction projects include all projects supported by Federal, State and/or City funds. Each month LMDC will post a list of Eligible Blocks on its website: www.renewnyc.com.

E. Eligible Premises

Eligible Premises shall mean business premises (non-residential) located at street level or below-grade with street level access within the Eligible Area on an Eligible Block at which the Eligible Firm operates its business. The Eligible Premises must have been open for business for at least the entire calendar month prior to the temporary street or sidewalk closure along the Eligible Block and still be in business at that location when the grant is paid.

F. Demonstrated Impact

To be eligible for a grant under this program a firm must demonstrate an impact on its business due to the street or sidewalk closure. Impact may be demonstrated through the submission of financial statements, including monthly operating statements, profit and loss statements or cash flow statements. Such statements must show the sales or revenue for the period of the street or sidewalk closure as compared to the same period of the year prior. For new businesses, the sales or

revenue for the period of the street or sidewalk closure should be compared to the prior month's statements. All financial statements submitted with the application must be certified by an officer of the firm.

III. Application Information

A. Application Timing

Applications will be accepted on a rolling basis but funds are limited. Therefore, applications should be submitted within three months of when the firm is eligible.

For applications covering street or sidewalk closures that occurred between July 1, 2007 and December 31, 2007, one application may be submitted for the entire six month period. If you will be submitting an application for a grant covering street closures that occurred between July 1, 2007 and December 31, 2007 it is highly recommended that you apply immediately. Eligible Firms must file a completed application for Program assistance. As noted on the application, each completed application must include:

- (i) a completely filled out and signed application form; and
- (ii) a completely filled out and signed Small Firm Assistance Program Grant Request Form; and
- (iii) a completely filled out and signed City of New York Substitute Form W-9; and
- (iv) a copy of the written lease, deed or permit for the Eligible Premises at which the applicant is engaged in business, including any amendments; and
- (v) an original utility bill for the Eligible Premises covering the period of the street or sidewalk closure for which the applicant is applying for assistance; and
- (vi) verification by the Eligible Firm of the number of its employees (current payroll summary or NYS-45-MN); and
- (vii) additional categorical information regarding the salary levels of the applicant's employees; and
- (viii) monthly operating, profit and loss, or cash flow statements verifying the applicant's estimate of Demonstrated Impact.

LMDC, SBS or EDC may require additional or alternative documentation, in their sole discretion.

B. Separate Applications for Multiple Locations

Applicants are required to file separate applications for each Eligible Premises.

C. Application Submission

Applications for Program assistance will be accepted through the earlier of April 30, 2011 or the distribution of available funds. Applications will be processed in order of receipt of completed applications. Applications must be mailed to:

Small Firm Assistance Program
c/o Lower Manhattan Development Corporation
One Liberty Plaza, 20th Floor
New York, NY 10006

IV. Grant Payments

A. Grant Disbursements

Grants will be disbursed on a rolling basis, subject to the availability of Program funds, as well as continued eligibility by the Eligible Firm under the Program and compliance with all terms, conditions and requirements set forth in these Guidelines.

B. Grant Recapture

Grant recipients may be required to repay any or all money received under this Program if any of the following circumstances occur:

- (i) if grant recipient's application, including any information provided therewith or thereafter, contains any material misrepresentation; or
- (ii) if the grant was made in error; or
- (iii) if the grant recipient is not entitled to assistance under these Guidelines.

V. Processes

A. Determination Process

Applications will be reviewed for completeness and eligibility on a rolling basis in the order that they are received. Applicants who submit an incomplete application will be notified in writing that their application is incomplete and what needs to be submitted in order to complete their application. Applicants will then have twenty business days from the date the notice is postmarked to submit whatever is necessary to complete the application. Complete applications will be further reviewed for eligibility. LMDC, SBS and EDC will use reasonable efforts to evaluate and process all applications in a timely fashion. Background reviews will be performed on all firms before they are approved for a grant. In the event an application is denied, written notification will be provided with the reason for denial. Eligible firms will be notified in writing once they are approved for the grant.

B. Appeal Process

LMDC will notify applicants in writing if their application has been denied. If the applicant believes that its application was incorrectly denied (in whole or in part), the applicant may appeal such decisions within twenty business days from the date the denial notification is postmarked. Such appeal must be made in writing to LMDC and include such information as the applicant would like to be considered. An Appeal Committee will consider and decide all appeals. All decisions by the Appeal Committee shall be final. The Appeal Committee will be the sole arbiter in interpreting the intent and implementation of the Program and these Guidelines.

VI. Legal Requirements

A. Audit and Control

LMDC and HUD may audit applications on a random or specified basis covering a period extending to three years after the Program concludes. LMDC and HUD reserve the right to contact at any time federal, state and local government agencies to confirm information included in any application.

B. Non-Discrimination

To be eligible for assistance under the Program, applicants must agree not to discriminate against any qualified person based on race, creed, color, national origin, sex, age or handicap.

C. Fraud Detection Prevention

Background reviews will be performed on all Eligible Firms; additionally, site visits and/or audits may be performed on either an announced or unannounced basis by LMDC and HUD or their auditors.

VII. Additional Information

A. Disclosure of Information

Except as required under law, LMDC, SBS and EDC will endeavor to maintain the confidentiality of tax, financial and rent information submitted as part of the application. Notwithstanding the foregoing, such information may be made available to LMDC, SBS and EDC staff and designated individuals that are processing the application and to Federal, State or local officials or auditors evaluating the Program.

B. Amendments to Guidelines

These Guidelines may be amended as needed. Any amendments to these Guidelines will only be available through the LMDC website: www.renewnyc.com.

C. Information on LMDC Website

The application form, these Guidelines and additional information about the Program can be accessed at LMDC's website: www.renewnyc.com.