

# CAPITAL

## City has awarded \$34 M. to Sandy- affected businesses

By: Sally Goldenberg



The de Blasio administration has awarded nearly \$34 million in grants and loans to 200 Hurricane Sandy-battered small businesses, according to recent figures from the city.

Overall, the city had \$48 million to distribute to businesses affected by the October 2012 storm. There are 149 still vying for the remaining \$14 million, said Meredith Weber, a spokeswoman for the city's Department of Small Business Services, which monitors the program. Some of the money is also reserved for administrative costs, she said.

The Hurricane Sandy Business Loan and Grant Program, subsidized by federal money, is not accepting new applications and the city is disbursing the rest of the money "on a first-come, first-served-basis," Weber said.

In addition, she said, the city is not expecting any further funding from the U.S. Department of Housing and Urban Development, she said. In all, the city has received \$4.2 billion in Sandy relief funds from H.U.D.

Based on the latest figures provided last week, \$31 million of the funding was given in the form of grants and \$3 million was given in loans that must be repaid to the city. Ninety percent of the recipients employ 25 or fewer workers, Weber said.

The program, which got off the ground in August 2013, had awarded just \$2.6 million in loans to nine companies when Mayor Bill de Blasio took office in January 2014. The sluggish pace was the subject of criticism from business owners, local activists and City Council members.

During a heated council hearing last May, when just 10 businesses had received funding, Small Business Services commissioner Maria Torres-Springer lamented that the program requires the city to wait until companies have tried other sources of funding before using this money as a last resort.

Last week, Torres-Springer said the administration had fixed the problem.

"Supporting the small businesses in our city that were hit hardest by Hurricane Sandy is a top priority of this administration, and turning around the Hurricane Sandy Business Loan and Grant Program to better serve small businesses was a laser-beam focus when we took office," she said in an email. "We're happy to have turned the program around."

The administration "made approval guidelines more flexible and improved outreach and one-on-one assistance directly in impacted communities to help small businesses get back on their feet after Hurricane Sandy," Torres-Springer said.

Councilman Mark Treyger, who represents a storm-ravaged area in Brooklyn, credited the current administration with accelerating the disbursement of grants. But he said business owners are overwhelmed by extensive record-keeping requirements.

"Small business owners are being asked to produce tons of paperwork and to keep reproducing paperwork and some of them are finding it burdensome to produce two-plus-years" of documents, Treyger said.

And small businesses are often penalized by the federal Small Business Administration for having originally received federal loans, which count against what they could qualify for from the city, even though the federal loans must be repaid.

"On one hand I would say that this administration did a good job of decoupling the loans and grants but it did not erase all of the challenges that these business owners are facing," he said in an interview last week. "Now, when they're applying for these grants, it's coming back to haunt them."