



Michael R. Bloomberg
Mayor

WTC Small Firm Attraction and Retention Grant Program Frequently Asked Questions (Version 09/13/02)

- Q. Which agency administers the WTC Small Firm Attraction and Retention Grant Program?**
A. This program is administered by the Empire State Development Corporation (ESDC) and the New York City Economic Development Corporation (EDC) on behalf of the City and State of New York.
- Q. What is the purpose of this Program?**
A. The purpose of this Program is to retain small businesses at risk of leaving downtown Manhattan, and to attract new ones, and to assist those businesses located in or close to the World Trade Center on September 11 who maintain a business in New York City. The Program provides grants to at-risk establishments of 200 or fewer employees that commit to remain for at least five years in the area of Manhattan south of Canal Street beyond their current commitment. It also provides grants to small firms that were located in or near the World Trade Center that commit to remain for at least five years in t New York City.
- Q. Where may I obtain an application for this Program?**
A. Applications are available at the WTC Business Recovery Centers at 2 Rector Street between Greenwich Street and Trinity Place (N/R trains to Rector Street, 4/5 trains to Wall Street) or 140 William Street (at Fulton Street) (A/C/E, 4/5, 1/2 trains to Fulton Street) in Lower Manhattan Monday, Tuesday, Thursday and Friday from 9:00 a.m. to 5:00 p.m., and Wednesday from 9:00 a.m. to 8:00 p.m. The WTC Business Recovery Centers will be closed on governmental holidays. Applications may also be obtained from www.nylovessmallbiz.com or www.newyorkbiz.com.
- Q. What is the latest date that I may apply for a grant under this program?**
A. Applications for the WTC Small Firm Attraction and Retention Grant Program will be accepted through December 31, 2004. Applicants that enter into new leases between September 1, 2004 and December 31, 2004 will have until April 1, 2005 to submit an application. Applications will be processed in order of receipt of completed applications. Based on demand for the program and on the availability of program funds, the deadlines for submission of applications may be extended.
- Q. Whom should I contact if I have questions about the grant Program or application process?**
A. If you have any questions about the WTC Small Firm Attraction and Retention Grant Program or about the application process, please call 1-800-ILOVENY (1-800 456-8369) or 866-227-0458 or you may e-mail your questions to WTCGrantProgram@empire.state.ny.us. You may also speak to a representative at one of the WTC Business Recovery Centers at 2 Rector Street or 140 William Street.
- Q. How do I submit my completed application?**
A. Completed applications and photocopies of all requested attachments should be presented, in person, to the WTC Business Recovery Centers in New York City at 2 Rector Street (between Trinity Place and Greenwich Street) or 140 William Street (at Fulton Street). After January 1, 2003, please call 1(800)ILOVENY to find out where to submit your application. You are advised to make photocopies of your application and supporting documents for your own records. Documents will not be returned.

Q. How do I know if my business is eligible for a WTC Small Firm Attraction and Retention Grant?

A.

To be eligible for a grant, the applicant must:

1. Be a for profit business entity, or a not-for-profit organization established under Sections 501(c), 501(e), 501(f), 501(k), 501(n) or 521(a) of the Federal Tax Code and is not involved in religious or political activities; **and**
2. Employ not more than 200 Full-time Permanent Employees at the Eligible Premises as of the date of application, **and**
3. Qualify as Either:
 - a. an “RZ Business”
 - i) As of Sept. 11, 2001, have had a lease for a business premises within the Restricted Zone that would terminate on or prior to December 31, 2004. (This requirement with respect to the termination of the lease does not apply to Eligible Businesses within the Oct. 23 Zone, defined below); **and**
 - ii) After Sept. 11, 2001, either 1) sign a new non-residential lease for an Eligible Premises for a minimum term of five years, 2) extend an existing non-residential lease for an Eligible Premises for an additional minimum of five years from the termination date of the lease in effect on Sept. 11, 2001 or 3) purchase a non-residential Eligible Premises. (In the case of an Eligible Business within the Oct. 23 Zone, the minimum five-year term is determined from the “Commencement Date” defined below).

OR

- b. a “Non-RZ Business”
 - i) As of Sept. 11, 2001, it either 1) had a lease for a business premises within the Eligible Area that would expire on or prior to Dec. 31, 2004, or 2) was located outside the Eligible Area or did not exist; and
 - ii) After September 11, 2001, it either 1) signed a new non-residential lease for an Eligible Premises in the Eligible Area for a minimum term of five years from the “Commencement Date”, 2) extended an existing non-residential lease for an Eligible Premises in the Eligible Area for an additional minimum of five years from the termination date of the lease in effect on Sept. 11, 2001 or 3) purchased a non-residential Eligible Premises in the Eligible Area

Q. What is the “Eligible Area”?

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

Q. What is the “October 23 Zone”?

A. The October 23 Zone (which is entirely contained within the “Restricted Zone”) refers to the area designated by the Mayor’s Office of Emergency Management as restricted from pedestrian and vehicular traffic during the period September 27, 2001 through October 23, 2001. The October 23 Zone is located within the Restricted Zone and is bounded by the centerline of the following streets: Chambers Street starting at North End Avenue, east to Greenwich Street, south to Park Place, east to Broadway, south to Rector Street, west to West Street, north to Albany Street, west to South End Avenue, north to World Financial Center Esplanade, north to Murray Street, west to North End Avenue, north to Chambers Street.

Q. What is the “Restricted Zone”?

A. The “Restricted Zone” refers to the area designated by New York City as restricted from pedestrian and vehicular traffic during the period September 19, 2001 through September 26, 2001. The Restricted Zone is located within the Eligible Area and is bounded on the north by Chambers Street (including buildings with primary entrances on the north side of Chambers Street), on the east by Broadway (including buildings with primary entrances on the east side of Broadway), on the south by Rector Street (including buildings with primary entrances on the south side of Rector Street), and on the west by the Hudson River.

Q. What is an “Eligible Premises”?

A. Eligible Premises means a business premises located in the Eligible Area where the Eligible Business has agreed to operate its business for a period of not less than five years from the Commencement Date. If the Eligible Business was located in the Restricted Zone as of September 11, 2001, then the Eligible Premises may be located anywhere within New York City, if relocation to such premises occurs prior to December 31, 2002.

Q. What is the “Commencement Date”?

A. The Commencement Date is the effective date of the lease, lease extension, or deed for the Eligible Premises.

Q. What documentation is required to apply for a WTC Small Firm Attraction and Retention Grant?

A. Applicants must provide the following documentation to complete the application:

- ? A completely filled out and signed application form; **and**
- ? A photocopy of the lease or deed for the premises at which it conducted its business as of September 11, 2001; **and**
- ? For those businesses located in the Eligible Area on Sept. 11, 2001:
 - (1) A photocopy of utility bills for the Eligible Premises (*e.g.*, gas, electric or telephone) for the months of (i) July or August, 2001, **and** (ii) October or November, 2001 (total of 2 bills); **and**
 - (2) Photocopies of both sides of cancelled checks for rent or common charges for the months of (i) July or August, 2001 **and** (ii) October or November, 2001 (total of 2 cancelled checks); **and**
- ? A photocopy of the lease or lease amendment for the Eligible Premises; **and**
- ? If the Eligible Premises is owned by the applicant, a photocopy of the deed and a certification from the Chief Executive Officer of the Eligible Business that it shall remain at the Eligible Premises for a minimum of 5 years from the Commencement Date; **and**
- ? A photocopy of the most recent Quarterly Combined Withholding, Wage Reporting and Unemployment Insurance Return (form NYS-45) filed with New York State, (or a Statement of Deposit from a payroll processing service, if applicable), reporting the number of full-time and part-time employees at the Eligible Premises for the most recent quarter prior to the date of application; **and**
- ? A completed form 8821; **and**
- ? A voided check imprinted with the name of the Eligible Business.

Additional or alternative documentation may be required.

Q. On September 11, 2001, I had a lease for my business premises in the Eligible Area outside of the Oct. 23 Zone whose term went beyond Dec. 31, 2004. May I terminate my original lease, sign a new lease for the same premises and be eligible for a grant under this Program?

A. No. To be eligible for a grant from this Program, your lease in effect on Sept. 11, 2001 must show an expiration date prior to Dec. 31, 2004. Copies of both your original lease and your new or amended lease are required documentation for application.

Q. I have owned my business premises in the Eligible Area since 1990 and I intend to continue my business operations there. Am I eligible for a grant from this program?

A. No. To be eligible for a grant from this Program, the deed to the Eligible Premises must show a Commencement Date subsequent to Sept. 11, 2001. However, this restriction does not apply if the business premises was located within the October 23 Zone as of Sept. 11.

Q. I have a long term lease for my business premises in the Oct. 23 Zone with an effective term of Feb 1, 1995 to Feb. 1, 2015. Am I eligible for a grant from this Program?

A. Yes. Businesses whose Eligible Premises were located as of Sept. 11, 2001 in the Oct. 23 Zone are eligible even if the expiration date on their existing lease extends beyond Dec. 31, 2004, provided that all other eligibility criteria are met.

Q. Since September 11, my business has already relocated into an Eligible Premises. May I apply for a grant?

A. Yes. You must provide a copy of your lease or deed as of Sept. 11, 2001, a copy of the new lease or new deed signed after Sept. 11, 2001, and all other required documentation.

Q. I had a lease for my business premises in the Eligible Area in effect on Sept. 11, 2001 that had a termination date of Dec. 31, 2003. The new lease I just renegotiated for the premises has a Commencement Date of Sept. 30, 2002. Which date will be used to base the 5-year minimum term determination for eligibility in this Program?

A. In the case where the terms of the prior lease and the current lease overlap, you must show a lease for the Eligible Premises with a minimum term of 5 years beginning at the termination date stated in the lease in effect on Sept. 11, 2001. In the example given, the new lease must not expire earlier than Dec. 31, 2008.

Q. What is the definition of a Full-time Permanent Employee? If my business employs part-time employees as well, how would they be counted in determining the grant?

A. Full-time Permanent Employee is defined as (i) a full-time, permanent employee on the Eligible Business' payroll, that has worked at the Eligible Premises for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by the Eligible Business to other employees with comparable rank and duties; or (ii) two part-time, permanent employees on the Eligible Business' payroll, that have worked at the Eligible Premises for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by the Eligible Business to other employees with comparable rank and duties. Part-time workers who work less than half-time and contract or temp employees cannot be included; or (iii) an owner, partner, or member of the Eligible Business that is not on the Eligible Business' payroll but works at the Eligible Business for not less than 35 hours per week.

Q. How is the grant amount calculated?

A. Grant amounts for businesses of over three people are determined as follows:

? If an RZ Business remains at an Eligible Premises or relocates to an Eligible Premises within the Eligible Area, the business is eligible for a grant equal to (i) \$2,500 times the number of its Full-time Permanent Employees at the Eligible Premises at the time of submission and acceptance of a completed application (the "Application Date") (provided it has no more than 200 employees) plus (ii) \$2,500 times the number of Full-time Permanent Employees (up to 250 employees) at the Eligible Premises on the 18-month anniversary of the Application Date.

? If an RZ Business relocates to an Eligible Premises outside the Eligible Area but within New York City, the business is eligible for a grant equal to (i) \$1,750 times the number of its Full-time Permanent Employees (provided it has no more than 200 employees) at the Application Date plus (ii) \$1,750 times the number of Full-time Permanent Employees (up to 250 employees) on the 18-month anniversary of the Application Date.

? If a Non-RZ Business was located within the Eligible Area as of September 11, 2001 and it remains at the Eligible Premises within the Eligible Area, the business is eligible for a grant equal to (i) \$1,750

times the number of its Full-time Permanent Employees (provided it has no more than 200 employees) at the Application Date plus (ii) \$1,750 times the number of Full-time Permanent Employees (up to 250 employees) on the 18-month anniversary of the Application Date.

- ? If an Eligible Business was located outside the Eligible Area and relocated to an Eligible Premises in the Eligible Area, or is a new business, the business is eligible for a grant equal to (i) \$1,750 times the number of its Full-time Permanent Employees (provided it has no more than 200 employees) at the Application Date plus (ii) \$1,750 times the number of Full-time Permanent Employees (up to 250 employees) on the 18-month anniversary of the Application Date.

Initial Location	New Location	
	Eligible Area	New York City (outside Eligible Area)
Restricted Zone	\$2500 per employee on Application Date \$2500 per employee (not to exceed 250) on 18-mo. anniversary of Application Date	\$1750 per employee on Application Date \$1750 per employee (not to exceed 250) on 18-mo. anniversary of Application Date
Outside Restricted Zone	\$1750 per employee on Application Date \$1750 per employee (not to exceed 250) on 18-mo. Anniversary of Application Date	\$0

Q. How will the grant be disbursed?

A. Grants will be disbursed in two installments by electronic transfer to the business bank account. ESDC will make every effort to disburse the initial grant within 30 business days of approval of a completed application and the second disbursement within 30 business days of the approval of a completed “18-Month Disbursement Request” (defined below). All grant disbursements are subject to the availability of funds and the continued eligibility of the applicant.

Q. What is the “18-Month Disbursement Request” and what documentation is necessary to complete it?

- A. To receive the second disbursement of the grant, the Eligible Business must provide updated information by completing and submitting the 18-Month Disbursement Request and include the following documentation:
- ? A completely filled out and signed 18-Month Disbursement Request form; **and**
 - ? A photocopy of the New York State Department of Labor Form NYS-45 (Quarterly Combined Withholding, Wage Reporting and Unemployment Insurance Return) reporting the number of full-time and part-time employees at the Eligible Premises for the most recent quarter, or a Statement of Deposit from a payroll processing service, if applicable; **and**
 - ? A photocopy of a current utility bill (e.g. gas, electric, telephone); **and**
 - ? A photocopy of the most recent cancelled check (both sides) or cash receipt for the payment of rent; **and**
 - ? A current voided check imprinted with the name of the Eligible Business.

The 18-Month Disbursement Request form will be sent to grant recipients following disbursement of the initial grant. It must be submitted within two years of the date of approval of the initial application.

Q. My business only has three people, including me, the owner. How does disbursement work?

A. If an Eligible Businesses has three or fewer Full-time Permanent Employees on the Application Date, then it shall receive the entire grant in one disbursement. The grant shall be calculated using the same formulas as for larger businesses, in the amount of either \$5,000 per employee (RZ Businesses staying downtown) or \$3,500 (other Eligible Businesses).

Q. If the business no longer exists on the 18-month anniversary of the Application Date, will I receive the second grant disbursement?

A. No.

- Q. I am self-employed at my business in the Eligible Area. Am I eligible for a grant from this Program?**
A. Yes, if the five-year commitment is demonstrated by a commercial lease or a deed for commercial property. A residential lease is not acceptable.
- Q. If I have more than 200 Full-time Permanent Employees on my payroll at the time I submit the 18-Month Disbursement Request, will I receive an additional grant amount for the jobs created in excess of 200?**
A. Yes. The second disbursement of the grant will be based on the number of Full-time Permanent Employees on the Eligible Business' payroll on the 18-month anniversary of the Application Date up to a maximum of 250 employees. The grant amount will be based on the applicable formula described above.
- Q. My business has several locations. May I apply for a grant for each Eligible Premises?**
A. Yes, but you must file a separate application for each location of your business at an Eligible Premises. Employment cannot exceed 200 at each Eligible Premises at the time of application.
- Q. My business is currently located outside of the Eligible Area but I wish to relocate to the Eligible Area. Am I eligible for a grant from this Program?**
A. Yes. If you had no business operations in the Eligible Area as of Sept. 11, 2001, you may apply for a grant from this Program when you can present a deed to an Eligible Premises or lease for an Eligible Premises with a term of at least five years and employ no more than 200 employees at the Eligible Premises. All other eligibility criteria must be met.
- Q. Is the WTC Small Firm Attraction and Retention Grant reported to the Internal Revenue Service (IRS)?**
A. Yes. Both the IRS and the grant recipient will receive a Form 1099-G at the end of the year. Please consult your tax advisor on the treatment of this item on your tax return.
- Q. What if my business has already received a grant under ESDC's WTC Disaster Retail Recovery Grant Program, the WTC Business Recovery Grant Program or EDC's Lower Manhattan Business Retention Grant Program? May I apply for a grant under this new Program?**
A. Yes. The WTC Small Firm Attraction and Retention Grant Program and the determination of eligibility and amount of grant assistance awarded to Eligible Businesses are separate from other existing City and State grant programs.
- Q. May I use the grant I receive from this Program for any purpose I choose?**
A. By accepting a grant from this Program, applicants must agree to use the assistance for the payment of wages to salaried employees that were on the Eligible Business' payroll as of the date of application. Grant funds provided under this Program may not be applied to the same specific uses as disaster loans made by the United States Small Business Administration ("SBA"). Applicants that apply for or receive an SBA disaster loan are required to advise SBA of their application or receipt of assistance under this Program. SBA may require that grant funds received under the Program be applied to pay off or reduce the outstanding balance of the SBA loan.
- Q. Do I need to report my business' economic losses due to the events of September 11, 2001, or compensation I may have received for economic loss?**
A. No. The WTC Small Firm Attraction and Retention Grants are based on the purchase of new facilities or signing or renewing a lease for at least five years in the Eligible Premises. Estimated economic loss or compensation for that loss due to the Sept. 11 attacks are not considered in determining eligibility or the amount of your grant.
- Q. Are not-for-profit organizations eligible for a grant from this Program?**
A. Yes. A not-for-profit organization may apply for a grant from this Program if it is established under Sections 501(c), 501(e), 501(f), 501(k), 501(n) or 521(a) of the Federal Tax Code and is not involved in religious or

political activities, it meets all other criteria for an Eligible Business defined earlier, and it is establishing or extending operations in an Eligible Premises.

Q. If my business has ceased operations due to the September 11 attacks and it has not yet reopened, may I still apply for a grant under this Program?

A. You may apply for assistance from this Program once you resume your business with no more than 200 employees on your payroll and can present a new deed to the Eligible Premises or new lease or lease renewal for the Eligible Premises with a term of at least five years.

Q. I am planning to extend the existing lease for my Eligible Premises but I have not yet reached an agreement on terms and conditions with my landlord. May I still apply for a grant from this Program?

A. You may apply for a grant under this Program when you have reached an agreement with your landlord and you can present a lease or lease extension agreement for the Eligible Premises with a term of at least five years beyond the current lease term. All other eligibility criteria must also be met.

Q. If I acquire a business that received the first disbursement of a grant under this Program, would I be entitled to the second installment of the grant?

A. Yes. The successor business will be entitled to the second disbursement as long as it affirms in writing that all of the obligations set forth in the application made by the Eligible Business comply with the provisions of the Program Guidelines. A successor to an Eligible Business may not apply on its own behalf for a separate grant for the same Eligible Premises under this Program.

Q. How long will it take to receive a grant?

A. ESDC will make its best effort to disburse grants to Eligible Businesses within thirty (30) business days of receipt of a completed application. Incomplete applications will delay the process. Please be sure that your application is complete.

Q. How will I receive my grant?

A. Grant funds will be electronically transmitted to the bank account indicated on the voided check submitted as part of the application. You will be sent a letter advising you of the transfer.

Q. The application for this Program requests the business' 6-digit Business Activity Code. Where may I find this?

A. The Business Activity Code is found on the business' federal income tax return. You may also identify this code for your business by logging onto www.census.gov/epcd/www/naicstab.htm. You may also request assistance from a representative at one of the WTC Business Recovery Centers.

Q. If I think my application was incorrectly denied, may I appeal the decision?

A. Yes. If you have submitted an application for assistance and you believe that it was incorrectly denied, you may appeal the decision within twenty business days of receipt of notification of that denial. Your appeal must be in writing to: WTC Small Firm Attraction and Retention Grant Program Appeal, Empire State Development, P.O. Box 4438, Grand Central Station, New York, NY 10017, with a copy to WTC Small Firm Attraction and Retention Grant Program Appeal, NYC Economic Development Corporation, 110 William Street, New York, NY 10038. Include the reason for your complaint and information you would like to have considered. An ESDC appeal committee will review your appeal. All decisions made by the appeal committee shall be final.

Q. What if I want more information on this program?

A. Please read the Guidelines governing this program available on the ESDC web site at www.nylovesmallbiz.com or EDC's web site at www.newyorkbiz.com You may also write to WTCGrantProgram@empire.state.ny.us, call 1(800) ILOVENY or 866-227-0458, or come to one of the WTC Business Recovery Centers at 2 Rector Street or 140 William Street.