

From the Ground Up: Five Ways to Help Small Businesses Still Struggling After 9/11

by Ariel Goodman

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Before September 11, 2001, I owned four small businesses located on the 87th floor of One World Trade Center. I worked in financial services, trading and creating mutual funds. Now, I spend much of my time re-creating the reams of lost records destroyed in the attack, applying for grants, and advocating for other downtown business owners as president of [From the Ground Up](#), a grassroots support group for lower Manhattan small business owners.



Ariel Goodman

My businesses were totally destroyed when Tower One fell. Today, only two of them are operating. I need at least \$350,000 to restart my businesses and rebuild them to what they were before September 11. To date, I have only received \$30,000 from the [Economic Development Corporation](#). This is just a drop in the bucket compared to my losses. I have not yet received any of the proceeds from my insurance policy. Because I also lost my home 500 feet from the World Trade Center, I had no property to put up as collateral and was turned down for a Small Business Association loan.

Frustrated with my search for aid, I co-founded the advocacy group From the Ground Up for small business owners who were affected by September 11, 2001. The group, which now has about 400 members, works to reform and improve 9/11 aid programs. We successfully lobbied for federal programs to include businesses with fewer than 10 employees.

More than a year after the towers fell, lower Manhattan small business owners are running out of time and options. The programs created to aid small business victims of September 11 need

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to be changed. They exhaust people with ever-changing rules and offer awards that are too small considering the efforts involved. No program to date addresses our special needs.

The following five suggestions would be an important start:

1. World Trade Center tenants must be adequately compensated for their losses. There is a world of difference between businesses like mine, that lost everything, and ones two blocks away that still have an infrastructure and records. Right now, this disparity is not addressed in any program. The

[World Trade Center Business Recovery Grant Program](#)

should be changed to increase the grants given to World Trade Center tenants, or else should create a new program to give small business tenants flat grants of \$150,000 each.

2. The grant program to keep and bring small businesses downtown also must be changed. The program, called the [Small Business Attraction and Retention Program](#) needs to include all lower Manhattan small businesses that existed on September 11 that are willing to reaffirm their current leases. Right now, the program only includes companies with leases that expire within the next two years. In this area, most leases last 10 years. The present program rules just do not work. As of the end of August, only 8 percent of the hundreds of millions of dollars in this program had been allocated or distributed. By making this simple change, we can get funds to the businesses that need them right now.

3. Grant programs should loosen their requirements for documents. Like all small businesses that were located in the World Trade Center, all of my documents and records were destroyed. Nonetheless, I must produce the same type of proof as a business on Wall Street that was intact on September 12. Recreating documents has become a full time occupation for all of us who were tenants in the World Trade Center -- and every time I turn in a completed application for one of these assistance programs, I am told that I am missing yet another document. Instead of spending my time re-starting my businesses, I am collecting documents for financial assistance programs. In fact, I was unable to apply for a grant from the World Trade Center Business Recovery Grant Program until this month, simply because I did not have the required documents. Putting procedure before substance like this is absurd, and must be rectified.

4. Lower Manhattan small businesses need an ombudsman program to help them deal with difficult aid programs. Those of us "in the trenches" with these programs have found that

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the rules are obscure, confusing and inconsistently applied. Members of From the Ground Up are often denied assistance based on rules or criteria that do not appear on any application or program guidelines. As a result, many of us are falling through the cracks of the very programs that are intended to help us get back on our feet. An ombudsman who has the authority to work with the various program administrators to coordinate and facilitate delivery of program benefits would be a tremendous help to lower Manhattan small businesses. The foundation I and other members of From the Ground Up created has already developed a proposal for an ombudsman program.

5. Finally, the grants lower Manhattan small businesses so desperately need should not be taxable on the federal, state or local level. By making these grants taxable, the government is giving with one hand, and snatching back with the other. If the grants are truly intended to compensate lower Manhattan small businesses for their 9/11 losses and help get them back on their feet as productive, tax-paying members of the community, they should be tax-free.

Ariel Goodman is president of From the Ground Up, a 9/11 small business advocacy group.