



# New Stimulus Will Help Businesses Come Back

By Nydia M. Velázquez

In the last decade, the Queens population has boomed, and so has its business community. Through hard work and a little ingenuity, local entrepreneurs have revitalized neighborhoods from Flushing to Astoria.

Today, there are nearly 200,000 homegrown firms driving the Queens economy. Those businesses cater to the unique needs of our neighbors, and create high wage jobs for our workers. However, in the face of a national recession and a contracting local economy, even our most resilient businesses are suffering.

It's no secret that the last year has been hard on New York. Like businesses everywhere, area startups are feeling the effects of slowed spending and tightening credit. The Economic Recovery Act will help ease that pain. In the next two years, the stimulus will create 90,000 new jobs for New Yorkers, and help small firms access the capital they need to keep their doors open.

One of the greatest challenges facing small firms is the frozen credit market. The fact is small businesses simply cannot get loans to expand and hire more workers or, for that mat-

ter, to stay afloat.

The Recovery Act will help get credit moving again, unlocking \$21 billion in new lending and investment. As part of this process, the Small Business Administration, or SBA, will make loans less expensive for borrowers. It will also guarantee more of a loan – as much as 90 percent – a provision that will encourage banks to lend to small firms again.

As chair of the House Small Business Committee, I know these are challenging times for entrepreneurs. Many of these men and women are straining to meet even basic obligations. A new Recovery Act initiative, called the Small Business Stabilization Financing Program, will throw our small businesses a lifeline. This new initiative offers entrepreneurs the option of taking a \$35,000, no-interest SBA loan. That is \$35,000 that they can put towards fundamentals like payroll and inventory, and which they will not have to repay for a full year.

In addition to these important lending provisions, the Recovery Act will open a world of opportunity to small firms seeking federal contracts. New York City is slated to receive \$5 billion in stimulus funds, a significant chunk of which will go toward infrastructure spending.

That means everything from modernizing public housing to paving roads. Because small firms do 90 percent of that work, they stand to benefit considerably.

Here in Queens, we are depending on our entrepreneurs to spark an economic recovery. However, that does not mean we want them to go it alone. The SBA offers small business development programs at centers throughout New York City. There are two in Queens, one located at LaGuardia Community College, and the other at York College. There is also a Women's Business Center at the Queens Economic Development Center, which offers female entrepreneurs the resources they need to start and build their businesses.

Times may be tough, but the entrepreneurial spirit is still alive and well. With the business world increasingly rejecting the policies of the past, now is the time for small business owners to step up to the plate. Only they can bring the diversity and dynamism our communities want, and the recovery our economy needs.

*Nydia M. Velázquez is a member of Congress representing the 12th District and the chair of the House Committee on Small Business.*



Congressmember Nydia M. Velázquez

# City Council Wants To Help Small Businesses

By Christine Quinn

It is widely recognized that small businesses are the backbone of our economy. New York City's 220,000 small businesses account for 50 percent of all private sector employment. And, in tough financial times, when so many boom industries have gone bust, we depend even more on these businesses to fuel economic and employment growth.

Recognizing how incredibly vital small businesses are, the City Council has taken action and come up with a plan for supporting these businesses we all depend on.

We spoke to business owners around the city and asked them for their thoughts on some of the ways the city might help. We've taken some of their answers, and folded them into a three-pronged economic development plan we're calling "Open for Business."

First, we'll make it easier for new businesses to start up.

Opening a business can require over a

dozen permits from a variety of city agencies. To cut down on the paperwork, we'll create a single, combined application that folks can file on the web. And, since all the permitting fees can add up, we'll waive the costs for the next 12 months to encourage new businesses to open.

Another obstacle for new businesses is the many inspections the city requires. Since each agency visits separately, a business could remain shuttered for weeks or months, just waiting for that one last inspection. So, we're working with the Bloomberg Administration to coordinate inspections, and have every possible agency come on the same day.

The second part of our plan is to support businesses that already exist, by keeping more local dollars in our local economy.

Whenever the city buys a product or procures a service, we're required by state law to take the lowest bid – even if that means sending taxpayer dollars across the country. We'll work to change that law, so we can use a

qualified local company, particularly one that's woman or minority owned. We might spend a little more on the front end, but we'll support local jobs and ultimately create additional revenue.

And finally, we'll take steps to keep government out of the way of small business growth.

For example, we'll establish a temporary amnesty for businesses with outstanding violations. If a small business comes forward during this time and demonstrates that they've corrected the underlying problem, we'll waive their late fees and develop a payment plan. We'll make sure fines aren't dragging these businesses down, and get millions of dollars flowing into city coffers.

With these three, common sense proposals – help businesses open, get them more business, and stay out of the way – we'll help get New Yorkers working, and keep small businesses the engine of our economic growth.

*Christine Quinn is the Speaker of the City Council of New York.*



Christine Quinn Speaker of the New York City Council