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NEW \$4 MILLION GRANT PROGRAM CREATED TO ASSIST EAST HARLEM SMALL BUSINESSES ADVERSELY IMPACTED BY THE COVID-19 PANDEMIC

Grants will allow small "mom-and-pop" shops to re-open and stay open

NYC Council Member Diana Ayala, Manhattan Borough President Gale A. Brewer and Union Settlement today announced the creation of a new \$4 million East Harlem Small Business Grant Program, which will help East Harlem small businesses that are struggling to survive due to the COVID-19 pandemic and the accompanying economic shutdowns. The grant funds for this program were generated from the proceeds of a 2014 sale of the property on the Southeast corner of 125th Street & Lexington Avenue – the former home to a Pathmark supermarket for 15 years – and were dedicated to be used in East Harlem to support local businesses. The funds will be provided through the NYC Economic Development Corporation and will be administered by Union Settlement's Business Development Center, which provides a broad array of services and support for East Harlem's small businesses and entrepreneurs.

"While we focus on long-term solutions to the economic devastation this pandemic has brought to the East Harlem small business community, this grant opportunity will provide some immediate relief to the businesses that have struggled and faced enormous challenges during the past several months," said **NYC Council Member Diana Ayala**. "The survival of our small businesses is contingent on the expeditious manner in which these funds are administered and pivotal to their overall success."

"Minority-owned businesses anchor communities and help drive growth," said **Manhattan Borough President Gale A. Brewer**. "I'm thrilled to help launch East Harlem Small Business Grant Program which will aid hundreds of East Harlem businesses in one of their greatest times of need. Losing Pathmark was difficult for the community, but we have been able to bring supermarkets back to the area and by creating this fund, we have been able to turn a challenge into a much-needed investment in these neighborhood businesses."

"The disproportionate impact of COVID-19 on communities of color has occurred not just through the adverse public health outcomes, but also through the adverse impact on small businesses," said **David Nocenti, Executive Director of Union Settlement**. "Many East Harlem small businesses were struggling even before the pandemic, and most were then forced to shut down when the pandemic hit. Unlike businesses in wealthier areas, these "mom-and-pop" shops do not have savings or cash reserves available, and they desperately need assistance to allow them to re-open. This grant program is exactly the type of relief they need to do so."

"Small businesses are the backbone of our economy and have been deeply impacted by the pandemic," said **James Patchett, President and CEO of New York City Economic Development**

Corporation. "That's why we're committed to the East Harlem Small Business Grant Program, which will provide critical relief to local businesses. We want to thank Councilmember Ayala, Manhattan Borough President Brewer and Union Settlement for their leadership and collaboration to make this program a reality. The East Harlem community will be stronger because of it."

"Small businesses across East Harlem are cornerstone contributors to our vibrant and beautiful community," said **NYS Assemblymember Robert J. Rodriguez**. "We want to see them thrive and we want to see them through a full recovery. These funds will create opportunities for stability, growth and continued prosperity. I thank Councilwoman Ayala for her continued advocacy and look forward to our continued collaboration in support of East Harlem small businesses."

"As a former local business owner at an M/WBE based in Harlem, I know firsthand that access to capital is incredibly important to small businesses," said **NYS Senator Brian A. Benjamin**. "This is especially true in times of financial hardship when the local businesses our communities rely on for employment and services are under additional pressure. I am so grateful this grants program has been created to allow businesses to re-open and stay open, and I congratulate Councilmember Diana Ayala and all who made this possible."

"We have witnessed firsthand the devastating impact the coronavirus continues to have on small businesses around the country," said **Congressman Adriano Espaillat (NY-13)**. "Local businesses and local business owners are vital to our communities and our efforts must continue to deliver the necessary resources and economic assistance to help keep these establishments open for business. I commend Councilwoman Ayala, Manhattan Borough President Brewer, and Union Settlement on today's announcement of the East Harlem Small Business Grant Program to provide further economic recovery and assistance to help area small businesses survive."

"Covid-19 has decimated most of our area businesses with many not able to open at this time due to financial shortfalls," said **Nilsa Orama, Chair of Manhattan Community Board 11**. In addition, the PPP program was not the right fit for some of our area businesses. CB11 would like to thank Councilwoman Diana Ayala, Manhattan Borough President Gale Brewer and others for their hard work to help ensure that local businesses get assistance that they need at this critical

The East Harlem Small Business Grant Program will provide grants of up to \$20,000 for businesses with up to 20 employees and annual revenues of up to \$1 million. The businesses must be located within the boundaries of East Harlem/Community District 11 (bounded by 96th Street to the south, 142nd Street to the north, Fifth Avenue to the west, the East River and Harlem River to the east, and includes Randall's Island, Ward's Island and Marcus Garvey Park). All businesses must have been open and operating prior to March 1, 2020. Grants will be used by grantees to offset operating expenses (rent, utilities, payroll, insurance, and other operating costs).

Businesses interested in applying for a grant can go to Union Settlement's website at www.unionsettlement.org/smallbizgrant.

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About City Council Member Diana Ayala

Diana Ayala has worked for nearly two decades serving the people of the 8th City Council District in social service agencies and government, and is a passionate advocate on issues including housing, gun violence, and senior services. Council Member Ayala was born in Rio Piedras, Puerto Rico, and moved to New York City with her family as a child. Growing up in public housing after a time in the shelter system, she experienced numerous challenges that would help give her a unique voice and perspective in government and politics, and drive her passion for public service. She has been instrumental in crafting legislation that has become law, from expanding tenants' rights to cracking down on the sale of synthetic marijuana (K2). Please visit https://council.nyc.gov/district-8/ for more information.

About Manhattan Borough President Gale Brewer

Gale A. Brewer is the 27th Borough President of Manhattan. Since she took office in 2014, she has successfully passed legislation to reform the deed restriction process, add 'caregivers' to the city's anti-discrimination law, remove criminal history questions from initial employment applications (the "Fair Chance Act"), and enforce requirements for street numbers on buildings in Manhattan (to aid emergency workers). She has also spearheaded community planning initiatives at the South Street Seaport, in East Midtown, and in other neighborhoods to address development and zoning issues. Brewer previously served on the City Council for 12 years, serving as the founding chair of the Technology Committee and leading the Government Operations Committee. Please visit <u>www.manhattanbp.nyc.gov/</u> for more information.

About Union Settlement

Union Settlement is an on-the-ground resource for East Harlem residents of all ages, and a passionate advocate for the needs of underserved communities. Established in 1895, Union Settlement provides a broad array of education, wellness and community-building programs to over 10,000 East Harlem residents each year, including early childhood education, afterschool and summer youth programs, college preparation, job readiness, English language classes, behavioral health counseling, small business assistance, senior centers, Meals on Wheels and more. For more information about Union Settlement, visit www.unionsettlement.org.

About the Union Settlement Business Development Center

The Union Settlement Business Development Center (USBDC) seeks to enhance the economic vitality of East Harlem by assisting in the creation of jobs and helping residents, entrepreneurs and small businesses become successful. The USBDC offers a broad array of services, including business education classes, technology education classes, and technical assistance. The USBDC also coordinates the activities of the East Harlem Community Alliance, which is a consortium of over 200 local businesses, nonprofits, religious congregations, elected officials and government agencies.

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