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The Honorable Sheldon Silver  
Speaker  
New York State Assembly  
Legislative Office Building, Rm 932  
Albany, NY 12248

Dear Speaker Silver,

I am writing to urge your support for critical legislation to support small businesses in my community, namely A10594, A10924 and A10743. All three bills provide much-needed assistance to businesses that are located adjacent to the construction for the Second Avenue Subway, and are facing catastrophic losses as a result. Most of the affected businesses are small stores or franchises, the archetypal mom and pop types of business. The owners have put everything they have into creating these businesses and most will literally be wiped out if they close.

New York needs the subway and local businesses should not have to bear the burden of building it. The subway is a critical project that will add capacity to New York City's subway system for the first time in more than half a century. The Regional Plan Association has issued a report demonstrating that this project is crucial for the economic future of our region. With all other modes of transportation at capacity, New York City must find new ways to expand capacity or our already excessively long commutes will start driving business away, which will cost the state crucial tax revenue. This project has received support from both Republican and Democratic governors (Pataki, Spitzer and Paterson have all placed this project at the top of their list of priorities), from two Republican Mayors and from the Bush Administration, which has rated this the best project in the nation. Certainly, it will move more people on day one of operation than any other project currently being funded by the Federal Transit Administration.

Important as this project is for the future of our state, it is having a devastating impact on local businesses in my community. Construction has commenced for the station at 96<sup>th</sup> street, and for the spoils removal shaft that will operate until phase one of the subway is completed in roughly 2015. Thus far at least five businesses have closed on the five impacted blocks and several more have received notices from their landlords for non-payment of rent. I am told that many businesses are losing thousands of dollars each month, and that a significant number are considering closing.

This situation has reached crisis levels, despite a publicity effort by the Metropolitan

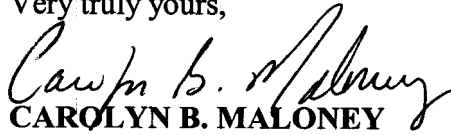
Transportation Authority and outreach to local residents by all the local elected officials encouraging them to patronize these businesses. I sent a newsletter to my constituents urging them to Shop Second Avenue. None of these efforts are sufficient, and the business owners are desperate for assistance. They need a legislative solution.

In order to provide direct assistance to local businesses and property owners, the New York State legislators for this area have introduced a package of three bills in the State Senate and the Assembly. In the Assembly, Assemblyman Jonathan Bing introduced A10594A and A10743, and Assemblyman Micah Kellner introduced A10924. A10594A establishes an economic grant program for the Second Avenue Subway construction project area, which would be particularly helpful to businesses on the brink of collapse. A10743 gives a six month suspension of sales or compensating use tax on goods and services sold in the Second Avenue Subway construction area. A10924 creates real property tax abatement for certain commercial properties located within the Second Avenue Subway project. At a time when property values will be negatively impacted by large scale construction for approximately six more years, property owners deserve a break.

New Yorkers as a whole will benefit from the new subway line, and I believe that it is only fair that taxpayers should help absorb the business losses caused by construction. This problem was created by government for the benefit of the entire state, and the state should provide these business owners a solution. I hope you will support this legislation, and allow it to move forward for a vote this session. Delay will literally put these local businesses out of business. They need assistance now.

Thank you for your kind attention to these concerns.

Very truly yours,

  
**CAROLYN B. MALONEY**  
**Member of Congress**