While the pandemic has taken a toll on city businesses of every size, many that were able to access relief funds have survived and are beginning to recover. Unfortunately, that has not been the case for thousands of mom-and-pop retailers, restaurants and service businesses in low- and moderate-income communities—particularly those owned by immigrants and people of color.
It is true that some commercial corridors in residential areas fared relatively well and even thrived when residents were quarantined, but that phenomenon has not made up for pandemic-related losses experienced by many other small businesses—including hundreds in the South Bronx.

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New York’s $800M small-business grant aims to fill gap for left-out businesses

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These are businesses that, even before the pandemic, struggled to keep their doors open because of disparities in access to resources and legacies of systemic neighborhood disinvestment. Amid Covid-19, many could not access relief funds such as Paycheck Protection Program loans because they lacked the necessary tools and relationships with financial institutions. Others faced language and technology gaps or obstacles related to their immigration status.

As a result, thousands of entrepreneurs whose businesses are critical to their neighborhoods—for the goods, services and jobs they provide—have been on the brink of shuttering for more than a year.

An $800 million [Pandemic Small Business Recovery Grant Program](#) filled in some of the gap; it reimbursed small businesses with grants of up to $50,000 for coronavirus-related expenses.

Despite this good news, a problematic application requirement is preventing some of the most in-need business owners from applying. Specifically, businesses are required to submit their 2019 and 2020 income tax returns, even though many have yet to close out their fiscal 2020 and cannot file their business taxes until later this year. In other cases, a business’s 2019 tax returns may also include months in which sales were affected by the New York State on PAUSE mandatory closures, precluding them from meeting the sales and profit minimums to be eligible for the program.
Fortunately, there is a clear solution. The state Legislature is uniquely positioned to resolve this issue by simply allowing businesses with fiscal years that do not align with a traditional calendar tax year to submit their 2018 tax returns. This would bring the program in line with its goal of being broadly accessible to all small businesses that need it. In the meantime, the state should set aside some portion of the grant funding for these businesses that are currently left out.

**New York small businesses** need the Legislature to step up and address the application’s one major remaining shortcoming to ensure that the Pandemic Small Business Recovery Grant Program lives up to its tremendous promise.

*Marco Castro is a senior program manager for community development at WHEDco.*

Link: [https://www.crainsnewyork.com/op-ed/albany-must-smooth-process-small-business-relief-grants?adobe_mc=MCMID%3D63933371912884365933346753419809905422%7CMCORGID%3D138FFF2554E6E7220A4C98C6%2540AdobeOrg%7CTS%3D1630612257&CSAuthResp=1%3A%3A209708%3A23%3A24%3Asuccess%3AFC7775D0A9C81AC6B597A7BD56C8E098](https://www.crainsnewyork.com/op-ed/albany-must-smooth-process-small-business-relief-grants?adobe_mc=MCMID%3D63933371912884365933346753419809905422%7CMCORGID%3D138FFF2554E6E7220A4C98C6%2540AdobeOrg%7CTS%3D1630612257&CSAuthResp=1%3A%3A209708%3A23%3A24%3Asuccess%3AFC7775D0A9C81AC6B597A7BD56C8E098)