REGION

Earl Wilson/The New York Times

Ellen Sorokina remains at home to care for her husband, Oleg Jaisini. She would like to get a bigger apartment for them and their daughter, 16.

A Man's Internal Struggle Strains Family Resources

By AARON DONOVAN

Oleg Jaisini fears there is a problem with the water.

His wife and his psychiatrists fear that the problem is in his head.

Mr. Jaisini, an artist from Ukraine who immigrated to the United States with his family in 1989, has become increasingly paranoid about bacteria in the water that comes from the faucets in the 300-square-foot room he shares with his

The Neediest

An artist's life becomes one of paranoia.

ter never sees her father having a seizure." But because they have only a one-room apartment in Jamaica, Queens, there is no place for Alisa to go except into the hallway.

Weighty Group Revives Plan for a Newark Sports Arena

By IVER PETERSON

TRENTON, Nov. 12 — Two months after a plan to build a $355 million sports arena in Newark fell apart, New Jersey political and business heavyweights have formed a new organization to revive the project.

The group, Backing What's Best in New Jersey Inc., is led by Finn Casperson, former chairman of Beneficial Corporation, the financial concern. It includes former Gov. Thomas H. Kean, a Republican, and former Gov. Jim Florio and United States Senators Bill Bradley and Frank R. Lautenberg, all Democrats.

The arena would be paid for with about $115 million from the separate owners of the New Jersey Nets basketball team and the New Jersey Devils hockey team, but with most of the financing depending on a novel kind of bonding based on the creation of a special sports and entertainment district in the Newark.

A previous proposal failed in the State Legislature in September after it became embroiled in the politics of the governor's race. Republican candidate Bret D. Schundler attacked the plan as a public subsidy for private sports-team owners and a potential debt burden on the state. The Democratic candidate, James E. McGreevey, now the governor-elect, first supported the plan but then turned against it.

With the election over, Rich McGrath, Mr. McGreevey's spokesman, said prospects were good for the new proposal — as long as it includes safeguards to protect taxpayers. "Jim McGreevey wants to see it go through," Mr. McGrath said, "but he wants a plan that is self-financing and that doesn't expose the taxpayers to any liability."

The 18,000-seat arena would be home to the Nets and the Devils, the only national-franchise sports teams to carry New Jersey's name. Their owners have threatened to move them out of the state unless they get the arena. Mr. Keane appealed to Garden State chauvinism when he said that keeping "two professional teams with New Jersey in their names will be another point of pride" for the state.

Legislation to build the arena, strongly backed by Acting Gov. Donald T. DiFrancesco, eventually foundered in September after lawmakers burdened it with tens of millions of additional obligations for sports projects up and down the state, but particularly in South Jersey, the precinct of Jack Collins, the Assembly speaker, who supported much of the additional spending. The projects were added to induce legislators in other parts of the state to approve a project for North Jersey. As the plan became a political liability in an election season, a key Assembly committee canceled hearings on the project.

The new plan uses the same financing as the failed one, envisaging an investment of $115 million from the owners of the two teams, $50 million in loans and grants from Essex County and the City of Newark, and the remaining $190 million raised through tax increment bonds.

Playing up the fact that teams have New Jersey in their names.

Under the plan, the state would create a sports and entertainment zone with the authority to issue bonds for the area surrounding the arena area, near the Newark train station. The bonds would be paid off with the difference between current sales, parking and construction-materials taxes now raised in that area and the amount raised once the arena is up and running.

The backers' financial plans assume that a hotel and office space will be built in the zone, generating added tax revenues. Proponents of the proposal argues that the new location, near Pennsylvania Station, would provide better fan access than the one at the Meadowlands. Michael M. Horn, a member of the new group and a former state treasurer, said the bill would contain disclaimers of any state obligation for the bonds.

Any money raised beyond the amount needed to retire the bonds would go to the state, Mr. Horn said. In addition, backers of the plan maintain that sending the Devils and the Nets to Newark would end the state's obligation to pay $15 million in annual subsidies to their present home at the Meadowlands, Continental Airlines Arena.

But the proposal still faces numerous hurdles. Backers say they hope that, with the election over, legislators will be able to resist the temptation to lard the bill up with other projects. But there is no certainty it will generate broad-based support on its own. And a deal for a Newark arena will be contingent on a plan to revive the Meadowlands, where the teams now play.

Other entertainment uses for the Meadowlands have been proposed over the years, including ideas for an amusement park like Disney World or a Nascar stock car oval. But businesses with ties to the Meadowlands, particularly Hartz Mountain Industries, developer of more than 35 million square feet of real estate in the Meadowlands, can be expected to renew their opposition to decreased traffic and investment there.

Alumnus's $60 Million Gift to Pay for Gehry Building at Princeton

...AREN W. ARENSON

...iversity is getting a ...ding.

...Satur-

A new science library ...

... in 1995.

Small Businesses Slow to Grasp Government's Helping Hand

Continued From Page D1

puter consulting firm that was housed in 2 World Trade Center. With no files of contacts and customers and still waiting for the refund of his $12,000 security deposit on his trade center office, Mr. Feig said he has been unable to get his business going again. And until very recently, he said, "the only way to find out what is available is through a network — if you know somebody who's gotten assistance, and you happen to hear about it."

The confusion among some business owners was evident last Wednesday, when the city's Economic Development Corporation sponsored a marketplace to introduce agencies offering financial aid to businesses in need. At the event, 16 different banks or nonprofit and governmental lending institutions were available, offering at least a half dozen different loan programs.

Nineteen nonprofit agencies offered everything from computer and office equipment to marketing help. And 27 different real estate companies purveyed information on office space.

Nevertheless, some business people left in despair. "There's no money for us," said Lorraine Messier, a partner at New York Physical Therapy Service, a small business located on Fulton Street near Broadway, about a block from the disaster site.

Ms. Messier said she and her business partner, Elaine Kennedy, are reluctant to offer their personal assets as collateral for a business loan, yet applying for such a loan is a requirement to get a city grant. As a partnership, their physical therapy business has few assets of its own.

Complaints of too many programs and excessive paperwork.

Professional service providers like physical therapists do not qualify for the state's grant program. Meanwhile, most of her customers have temporarily relocated, Ms. Messier said, and travel to her office is all but impossible for people who cannot climb subway stairs — understandably, a substantial portion of her business.

"We're falling through the cracks," she said. "Any amount we can get is just what we already owe," for a $1,000 cellphone bill, for example, incurred in the weeks after the isaster when telephone service was out. The office's computers were damaged by a power surge, which she says insurance will not cover, and the partners have laid off five of eight employees.

Both the state and the city took steps last week to increase the flow of money and services to small businesses in Lower Manhattan. Discouraged with the number of companies seeking loans from the federal Small Business Administration, the Economic Development Corporation began offering $5 million in grants of up to $10,000 each to non-retail businesses that apply for a small business loan. Eligible companies who simply fill out an application will immediately get $2,500, regardless of whether the loan is ultimately approved.

The Empire State Development Corporation is also offering $20 million in grants, also of up to $10,000 apiece, to retail and personal service businesses downtown. Those grants are available regardless of whether a company has applied for a small business loan.

Although representatives of both of those programs were at the marketplace event, a steady stream of business owners wandered from one table to another trying to navigate the requirements and specifications of the different grant programs. And the scope of the problem was made evident by the fact that while 20,000 companies were invited to the forum, only 800 showed up.

Mr. Mahmood of Deutsche Bank suggested that part of the problem was that too many political entities were interested in being seen as providing direct aid, rather than cooperating with other aid providers to help businesses. "People have to stop thinking about providing resources and think about building a concerted effort," he said.

Not all companies were so discouraged. Deepak Bawaeja, a senior vice president of Abhiyen USA, an importer and distributor of vitamins that was located on the 46th floor of 1 World Trade, praised the Economic Development Corporation program that awarded his company its first $10,000 grant.

"This will help us buy computers," Mr. Bawaeja said. "We lost our entire database of 2,000 contract manufacturers. We're trying to contact suppliers and customers to tell them, 'Don't write us off.' "

Now working out of donated space in Princeton, N.J., the company has now signed a lease for new offices in the Empire State Building.

Other business people have just begun to feel that help is available. City Apparel, a clothing store at Broadway and Murray Streets that specializes in women's large sizes, has few winter goods in stock, no heat in its store and in the days since its street reopened, few customers.

Yet Ying Yam Ling, the owner, left the event Wednesday in better spirits than when she arrived. "I've not gotten any help for the business yet," she said. "But I feel a lot better today. There is a lot of help here."

Michael Carey, the president of the Economic Development Corporation, said he had grown concerned that small business people were being so slow to apply for loans.

"If you've been out of business for three weeks, you might understandably be reluctant to put your assets on the line for a loan," Mr. Carey said, explaining the reason behind the decision to tie the city's grant program to small-business loans. "But we want to help get people over the hump, and give them a comfort level that would make them more likely to take out a loan."

Justin Lane for The New York Ti

Dan Batchelor of the Screening Room movie theater and restaurant Varrick Street spoke to Sherri Lippowitsch about a state grant.

The city and state each doled out their first grants last week, while the Small Business Administration had distributed more than $82 million in loans through the first of November.

Now, as the economic slowdown continues and the ripples from the World Trade Center disaster wash across the city, it is also clear that many of the business that were affected were nowhere near ground zero. Stores throughout Manhattan are feeling the pinch, as are car services in Queens. But some aid programs — particularly the city and state grants — are available only to Lower Manhattan businesses.

Charles A. Gargano, the chairm of Empire State Development, han ed out checks for more than $75,0 in grants to small retail and person service businesses on Thursday. O of them went to Mitchell Diamo the owner of Unique Printing a Stationery, an office-supply store Maiden Lane that has been in bu ness since 1929.

Mr. Diamond said he appreciat the grant, which he might use f marketing and advertising; mo helpful, however, would be incentiv to get customers to buy from dow town businesses. "If we had busine going on down there, we would have to worry about grants a loans."