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Pressing issues for federal aid

LAST WEEK, A GROUP OF LEADING BUSINESS EXECUTIVES journeyed to Washington to press for federal help for the city and its faltering economy. A delegation of small business entrepreneurs did the same. At the same time, the Bush administration said that New York should get more than the $20 billion it was initially promised, but how much more remains unclear.

It's time for New Yorkers to read the political winds in Washington. There will be no blank check for the city, and the growing line of people seeking such funds is merely endangering delivery of the money to help restore New York's physically devastated downtown.

The most pressing issue is to make sure New York gets the money President Bush promised to clean up downtown, to repair damaged or destroyed infrastructure, and to reimburse the city and state for overtime and other direct costs of the terrorist attacks. But it is likely that those costs will eat up most or even all of the initial $20 billion commitment.

The second legitimate request is for federal assistance to stabilize the downtown economy and to provide indirect help for the city budget.

Pending legislation provides federal tax credits to companies that sign or extend leases downtown, allows tax-exempt financing for rebuilding, and allows the city new flexibility in bond refinancings, which could save billions of dollars. All are directly related to the cost of the attacks.

But Sens. Charles Schumer and Hillary Rodham Clinton are having trouble winning congressional approval of the legislation. It is a sign that the time has come for New Yorkers to say they understand it will be a local responsibility to rebuild the economy. The long line of supplicants for targeted tax changes or direct relief—ranging from tourism interests to the city's nonprofits—need to understand that their requests are undermining efforts to secure badly needed help.

The same applies to the city and state governments, which should stop asking to be reimbursed for revenue lost as a result of the economic downturn that has affected the entire country.

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