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# Disaster biz loans slammed

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DAILY NEWS WASHINGTON BUREAU

WASHINGTON — John Calder is struggling to keep his wrecked Steamers Landing restaurant afloat on the Battery Park Esplanade.

Michael Kramer is trying to nurse his West Broadway sound, video and lighting company back to life — "instead of wasting my time playing tour guide. . . . People are coming into my store and asking where the World Trade Center was."

The two were among lower Manhattan merchants struggling to stay open after Sept. 11 who told a congressional panel yesterday that the federal Small Business Administration is burying them in red tape and setting draconian lending terms.

They said they turned down the federal agency's loans, which would have required them to put up their homes as collateral.

Calder and Kramer called for the agency to offer grants, not just loans, to counter business interruptions that weren't their fault.

Meanwhile, the Small Business Administration has turned down some 54% of loan applications from lower Manhattan businesses, according to agency figures provided to Rep. Nydia Velazquez of Brooklyn, the top Democrat on the House small business subcommittee.

"SBA's disaster loan program was not created to handle this kind of situation," she said.

"Dealing with the SBA at the community center in Chinatown was difficult," said acupuncturist Alice Yan. "SBA took too long. . . . There is a lot of paperwork to apply for a loan."

Yan said she had to hire an accountant to file the application — "which costs me additional money before I even qualify."

Velazquez and subcommittee chairman Donald Manzullo (R-Ill.) berated SBA administrator Hector Baretto for failing to back a bill that would give his agency more flexibility after the Sept. 11 attacks.

"He just doesn't get it," said Kramer, complaining that Baretto said loans provide a better incentive for merchants to spend wisely.

Kramer testified that he's had to continue paying $14,000 monthly rent on his "fancy Tribeca corner retail location," even though he was open for business only seven days in September. His street was off limits to foot and auto traffic for weeks.

Calder couldn't get back to his restaurant for 10 days.

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