

Testimony of William S. Wilkins

Director of Economic Development

The Local Development Corporation of East New York

My Name is William Scott Wilkins, and I am the Director of Economic Development for the Local Development Corporation of East New York (LDCENY). Since 1979 the LDCENY's principal mission is to foster economic and business development in East Brooklyn and surrounding communities. Economic development is achieved when capital investment is coupled with job creation or job retention. As a by product of capital investment and job growth in distressed areas, tax incentives and or programs like the SBA 504 or 7A are incorporated into the equation to induce or incent the required result.

Being in harmony and accord with our business development team the LDCENY engages in the seamless integration of a myriad of activities and programs that foster both short and long term economic and business development benefits to the Brownsville and surrounding East New York (ENY) community. We are funded by the Small Business Administration (SBA) through the Woman's Business Center and rely upon SBA programs like the 504 and 7A to add to our economic development tool box.

We promote and use both loan types in instances when clients are short on equity or are undercapitalized. Both loan products are necessary and needed in the market place by virtue of creating additional flexibility to traditional underwriting requirements. In other words, many deals that are essential to the market place would not get done unless both programs were not in existence.

Post Super Storm Sandy, the turnaround time in processing loan applications have been taking longer than normal but recently we are starting to see an improvement. Secondly, I encourage the SBA to continue to explore ways to stream line their loan application and support documentation requirements. Thirdly, SBA should continue to work with community based organizations (CBO's) who have "boots on the ground" to assist in the marketing of SBA loan products.

Lastly, I encourage SBA to introduce technical assistance providers to work with applicants and borrowers thus creating mentorship opportunities and increase the probability of repayment.