

April 13, 2020

Dear New York elected leaders:

We thank you for your steadfast leadership throughout the COVID-19 pandemic. The magnitude of the crisis has been felt across New York City, and its impact on families, communities, and economy has been profound.

We write to you as a group of business organizations crossing multiple industry sectors, advocating for an urgently needed relief package that will support the city's small business community during these trying times.

Hundreds of thousands of New Yorkers have been laid off or furloughed and small business owners have been left grappling with the immense pressures of sustaining their businesses and keeping workers employed or rehiring them after the pandemic is contained.

Faced with these mounting pressures, industry leaders have joined together in support of a plan we agree will help save thousands of small businesses that make up the economic and social fabric of New York City.

We've outlined four key policies to resuscitate ailing businesses and revamp the economy, and we ask that with your leadership, you advocate for and implement these recommendations that will support the hundreds of thousands of small business owners and workers across New York City.

- **INSURANCE:** Business interruption insurance claims related to COVID-19 should be required to be paid, or a specialized business recovery fund should be established to promptly pay claims to businesses required to close (or limit their operations), by government order. When necessary, the federal government must provide the insurance companies appropriate assistance.
- **Paycheck Protection Program (PPP):** Amend the Paycheck Protection Program of the CARES Act to allow the loan to be forgivable if businesses hire back needed staff at a minimum of six months after they fully reopen; allow a larger allocation of the money to be used for rent or other expenses; and, expand the stimulus funding so it is available over a longer period of time, so businesses who do not immediately apply can still obtain funding. Also, require all participating banks to accept, review and qualify applications from any small business without requiring existing accounts or loans. If these amendments are not made, the PPP will not help countless businesses that need stimulus funding.
- **SALES TAX:** We recognize the State and City of New York face significant budgetary constraints, nonetheless, we recommend investigating the fiscal implications of converting restaurants, nightlife establishments and retail stores' sales tax collection into grants. These small businesses need an injection of cash to help them survive during the COVID-19 emergency. Since these monies are on hand, converting (and/or reverting) the sales tax collection into a grant, will help small businesses immediately with needed cash flow, and will stimulate economic activity.
- **RENT AND MORTGAGES:** Due to the ongoing COVID-19 emergency, businesses and property owners face significant challenges. The majority of businesses in New York City have been mandated by the government to close (or limit their operations) and many therefore cannot pay their rent. Property owners have financial obligations including property taxes, mortgages,

maintenance, and capital improvements – much of which is paid for by the rent from businesses. While we recommend that commercial tenants and property owners make arrangements per their circumstances to help both parties weather this crisis, we recognize that realistic terms may not always be available. Therefore, we recommend a government backstop be provided during this emergency. These government programs could include direct federal financial assistance, rent and mortgage forbearance, and/or a property tax deduction for landlords who provide rent concessions to their tenants.

New York City's business community thanks you for your continued leadership in the midst of this crisis; we trust you will support small businesses as we continue to navigate the COVID-19 crisis.

Respectfully,

Bronx Chamber of Commerce
Brooklyn Chamber of Commerce
Greenwich Village Chelsea Chamber of Commerce
Manhattan Chamber of Commerce
NYC BID Association
New York City Hospitality Alliance
NYS Latino Restaurant, Bar & Lounge Association
New York State Restaurant Association
Queens Chamber of Commerce
Staten Island Chamber of Commerce
Tech:NYC
The Real Estate Board of New York (REBNY)

CC:

New York State Governor Andrew M. Cuomo
New York City Mayor Bill de Blasio
United States Senator Charles E. Schumer
United States Senator Kirsten E. Gillibrand
New York State Congressional Delegation
New York State Senate
New York State Assembly
New York City Council