Testimony of Ryan A. Murray,
Before the New York City Council Committee on Finance
Intro 1952 – Tracking Database for COVID-19 Expenditures
June 10, 2020

Good morning Chair Gibson and members of the Committee on Finance. My name is Ryan Murray, and I serve as the First Deputy Director of the Mayor's Office of Contract Services (MOCS). Thank you for providing me with this opportunity to express our support for Intro 1952 which seeks to create a database to track COVID-19 expenditures.

As you have previously heard from my colleagues – whether at hearings, during one-on-one meetings or through written correspondence – even with market volatility, procurement teams rapidly mobilized to respond to the pandemic, acquiring critical goods for front-line workers or to establish and enhance on-the-ground services for New Yorkers. They balanced speed with risk and continued to evolve practices in response to unprecedented demands. Now, as we shift to a recovery phase and efforts continue to establish a strategic stockpile of supplies that we can draw on if we face another wave or similar emergency, we agree that it remains important for us to share information that is easy to access and understand.

For procurements, much of the data sought through this bill is already available online through Checkbook NYC. Checkbook NYC, an open data portal managed by the Office of the Comptroller, allows members of the public to easily search the full list of emergency contracts by clicking into the Contracts section of the portal and entering "COVID-19" into the "contract purpose" search box. Agencies were instructed to use this standard naming convention to ensure that their procurements could easily be tracked. Each emergency contract related to COVID-19 relief efforts is still registered and submitted to the Comptroller's office, where it is made available for public access through Checkbook NYC. As of yesterday, a search revealed that since March 1 of this year, 210 contracts have been registered in relation to COVID-19 relief measures, totaling nearly $1.7 billion in spending. The search should produce results that include contract amounts, contracting agencies, timelines, vendors, contract purpose, award method, and more.

Still, we know we can always do more to support transparency. We recognize the value of centralizing all emergency spending information into one single portal to tell a more comprehensive story and ensure even greater accountability. In the wake of Hurricane Sandy and the implementation of the American Recovery and Reinvestment Act, the City established web portals which enabled various stakeholders to understand funding allocation from various sources and find projects at a local level. These efforts built confidence in the recovery efforts and enhanced the public discourse around how taxpayer dollars were spent. We agree with these goals, and support efforts to provide similar holistic transparency to the COVID-19 emergency response and recovery.

Having said that, MOCS and our partners in the Administration will require further discussion to finalize some of the details around implementation. While information on vendor performance may be available for current vendors, the qualifications of the recipient of a grant or purchase may not be readily structured for a simple numeric display. Defining variables and sources of greatest interest will be a critical step to publicly sharing the most helpful additional information. We look forward to continuing this conversation with Council and to strengthening the public's confidence in our overall operations.

Department of Finance Testimony on 6/10 Finance Committee Oversight Hearing

Good morning, Chair Gibson and members of the Committee on Finance. My name is Jeffrey Shear. I am Deputy Commissioner for Treasury and Payment Services for the NYC Department of Finance (DOF). I also served last month as Finance Commissioner Jiha's representative on and secretary to the NYC Banking Commission. I am here today to testify on two Council bills that address what interest rate the City should charge to property owners who make late payments on their NYC property taxes in tax year 2021.

Property taxes are the City's biggest single source of revenue, accounting for $30 billion or nearly half of the City's total tax revenues. Without this revenue, the City would not be able to pay its employees and its vendors to provide crucial vital services to New Yorkers. This includes the provision of critical goods and services needed as a result of the COVID-19 pandemic such as personal protective equipment, medical testing equipment, ventilators, and the distribution of well over one million meals each day to make sure no one goes hungry.

Every year the NYC Banking Commission is required by law to make recommendations to the Council for the interest rates to be charged to property owners who do not pay property taxes when they are due. One recommendation relates to properties with an assessed value of $250,000 or less, which DOF bills quarterly. The other recommendation relates to more highly valued properties with an assessed value of over $250,000. These properties are billed semi-annually by DOF.

The NYC Banking Commission considers the following when making its recommendations to the Council: the City's need to encourage timely payment of property taxes, interest rates charged by other large municipalities across the country, interest rates charged for real estate secured consumer loans, and the general interest rate environment. This year, in evaluating the interest rate for properties with an assessed value of $250,000 or less, the Banking Commission placed particular emphasis on the fact that the Federal Funds interest rates had declined over two points over the past year, largely in response to the challenge presented by the COVID-19 pandemic. Based on that decline the Banking Commission recommended that the late payment interest rate be reduced from the FY20 rate of seven percent to five percent for most of FY21. The five percent rate is significantly lower than the rate charged in other major U.S. cities such as the 10 percent rate charged by Washington, DC. However, recognizing the severe short-term impact of the pandemic, the Banking Commission went beyond this recommendation in two important ways. First, it recommended that the interest rate for late payments for the first three months of FY21 be reduced to 3.25%. This is the lowest rate that the Banking Commission is permitted to recommend by law. Second, it encouraged both the Administration and the Council to work together on local law so that the City's most vulnerable property owners adversely affected by COVID-19 would not have to pay any interest for late payments in the first quarter of FY21.

The pre-considered bill introduced by Public Advocate Williams would expand the population of property owners eligible for the 0% interest rate. In particular, it raises the income threshold to $200,000 and it includes cooperatives if 20% or more of the shareholders are affected by COVID. The Administration has qualified support for this bill. We are open to raising the income threshold, but we are concerned about expanding the program too much. The Administration must not only look at the fiscal impact of losing interest income but also at the impact of any program on the City's cash flow. As of Monday, June 8 the City's cash balances were $5.5 billion but due to the normal fiscal ebbs and flows as well as the impact of the COVID recession on the City's economy, our cash balance for the end of the fiscal year (June 30) is projected to be $2.1B lower than last June. If many property owners were to take advantage of the program by not remitting their property taxes by the interest-free due date of July 1, the City's cash position later in FY21 could become extremely stressed.

We support instead basing criteria for hardship on DOF's existing property tax and interest deferral (PT AID) program that authorizes payment plans for property owners with incomes under $58,399 who are facing extenuating circumstances. These plans limit the percentage of income that an affected property owner must pay to between 2% and 8% of the property owner's income and allows property taxes not addressed by these payments to be deferred. The deferred taxes continue to accrue interest. Property owners who reside at their properties with income below $58,399 could get 0% interest (effectively a 90-day grace period) if a household member became seriously ill or passed away as a result of COVID-19 or if the household suffered a loss of income as a result of COVID-19. We are more concerned regarding the pre-considered bill for properties with an assessed value of over $250,000. The properties in this category account for about 70 percent of the $30 billion in property tax revenue. For more than two decades, properties in this category pay 18% interest on late property tax payments and due to the City's heavy reliance on this revenue, the NYC Banking Commission's recommendation is to continue this rate for FY21. The Council bill reduces the interest rate to 7.5% instead of eliminating interest and it does require affected property owners to pay one-quarter of the taxes due by October 1 and the remainder by May 1, 2021. However, the bill would allow any commercial owner or landlord to receive the benefit if it experienced any drop of income between March 1 and June

30 due to COVID-19. The vast majority of businesses would qualify regardless of the size of the property and the amount of taxes due. Even if a fraction of eligible businesses opted into this program, the City's cash position would likely be severely affected. DOF and the Administration are willing to work with the Council on defining a reduced population of small businesses to be potentially eligible for this benefit. Until that is done, we cannot support this bill.

TESTIMONY OF THE QUEENS & BRONX BUILDING ASSOCIATION BEFORE THE COMMITTEE ON FINANCE

COUNCIL OF THE CITY OF NEW YORK

JUNE 10, 2020

My name is Robert Altman and I represent the Queens & Bronx Building Association. I am here to testify on the two Pre-Considered bills which allow for the deferral of tax payments on certain properties.

Generally speaking, we oppose the legislation. That might seem surprising. But given the Council's recent generosity on certain to tenants (often at the expense of building owners), it would seem that it should be similarly generous to those struggling with property tax bills. But these bills are nothing more than a façade. They do so little, impact so few and have such narrow provisions (and in the case of the larger properties such a high interest rate) as to render the bills essentially worthless except for an extremely narrow subset of property owners. As such, we have no interest in supporting legislation which is designed to make certain elected officials have a claim to say to others that they were looking to help, when in fact, they are doing so little. And this is particularly galling: with a 9% interest rate, the legislation obscenely seeks to make a profit on the pandemic since the City will simply borrow at a much lower rate than 9% for any deficiencies and then collect the 9% later on from the property owner. If the intent of the legislation was to have the pandemic do no harm, then the interest rate should have rendered no profit to the City. But by creating a profit, the City essentially creates no substantive harm to the City (and in fact, creates a benefit to it) while still harming the property owner. This is cynical legislation.

So, given the narrowness and frankly the stinginess of such legislation, we would rather not have anything at all and we oppose both bills.

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June 10, 2020

Testimony from the Hotel Association of NYC (HANYC)

Council Committee on Finance Hearing

Re: T2020-6277 – Deferral of property tax liability on real property with an assessed value exceeding two hundred fifty thousand dollars owned by certain property owners impacted by COVID-19

To the Council Committee on Finance:

My name is Vijay Dandapani, and I am President & CEO of the Hotel Association of NYC, a trade association representing over 300 hotels in New York City.

As you are aware, the impact of COVID-19 on the hotel industry has been extreme. Nationally, the industry is seeing an impact as large as seven times greater than the impact from 9/11, and we are feeling this impact perhaps more intensely--and were feeling it earlier--here in New York City.

The impact of COVID-19 has created an untenable situation for the hotel industry in NYC, with hotels across the City closing, either permanently or temporarily, unsure if they will be able to reopen and rehire workers.

Despite these burdens, hotels are doing all they can to support the City's COVID-19 relief efforts. We are partnering with the City and providing hotel space, at cost, wherever we can help address a need. We have offered space for hospital beds to help with hospital capacity expansion, we are working with the Department of Homeless Services to provide rooms for homeless individuals in need of additional space, and we are providing rooms for healthcare personnel in need of a place to stay to safely quarantine. We will continue to work with the City to address needs as they arise, and we hope our efforts will contribute to the City's overall efforts to slow the spread and keep New Yorkers safe.

The proposed legislation would give us additional time to pay our already disproportionately large property tax burden with a limited interest rate, which would provide us with some time to recover and find ways to pay the amount due. This bill would provide us with some desperately needed relief at a time when most hotels have had almost no cash flow for a period of months, and are not seeing any change in that in the near future.

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Efforts such as what this bill would achieve will make it more likely that hotels in survive the economic impact of the pandemic and reopen on the other side, therefore providing an important tax base to the City through multiple taxes assessed on hotels, and continuing to boost the City's tourism economy.

Hotels will play an important role in the economic revitalization of the City that is to come, and providing this kind of relief and flexibility in property tax payment is a very positive step towards supporting hotels through this difficult time.

On behalf of my members across the City, thank you for this effort.

Sincerely,

Vijay Dandapani

Vijay Dandapani
President & CEO
Hotel Association of NYC (HANYC)

Testimony of
the New York City Hospitality Alliance
Before the Committee on Finance
June 10, 2020

My name is Andrew Rigie, and I am Executive Director of the New York City Hospitality Alliance ("The Alliance"), a not-for-profit trade association representing restaurants and nightlife establishments throughout the five boroughs. I want to thank Chair Danny Dromm, and members of the Committee on Finance for the opportunity to present our support for T2020-6277 and T2020-6276 sponsored by Public Advocate Williams and Councilmember Chin respectively.

The New York City hospitality industry has been devastated by the COVID-19 pandemic. Many business owners have been mandated to close or allowed to operate at a very limited capacity. These measures have left owners with little room to run their operations and generate revenue, let alone pay their bills. Because of the mounting economic pressures that business owners have been facing, The Alliance, along with other business associations, have been advocating for government support that will directly help commercial tenants and landlords.

The Alliance supports T2020-6277 and T2020-6276 which will help alleviate immediate financial pressures on small businesses and landlords during these trying times. While offering commercial tenants the option for a forbearance on rent, and no late fees, are important steps in helping them with their rent obligations, the City Council must now focus on commercial rent forgiveness. Realistically, most small businesses cannot pay back multiple months of missed rent due to the pandemic, and once they are permitted to reopen under reduced occupancy, they won't be able to pay 100% of their pre-pandemic rent. We encourage the City Council to consider more financial assistance to commercial tenants and landlords, otherwise we're concerned there will be defaults through the system, which will deepen our economic crisis . We are thankful for these bills as they will provide much-needed breathing room for both parties as they negotiate their future relationships and enter into the recovery period, but we must do more.

The hospitality industry in NYC is essential to the city's economy and vibrant culture. Our City will not recover if the hospitality industry is not at the core of our recovery. We appreciate the City Council and the Committee on Finance for your time and consideration of this legislation and are eager to continue to explore various ways to help our small business owners. We urge you to enact T2020-6277 and T2020-6276.

I am reachable at arigie@thenycalliance.org if you have comments and/or questions.

Respectfully submitted,

Andrew Rigie
Executive Director
NYC Hospitality Alliance

Testimony before the City Council Committee on Finance:
T2020-6276: A Local Law in relation to the deferral of property tax liability on real property with an assessed value of two hundred fifty thousand dollars or less owned by certain property owners impacted by COVID-19

Good morning. My name is Christie Peale, and I am the Executive Director and CEO at the Center for NYC Neighborhoods. I would like to thank the chair and the committee for giving us the opportunity to testify today, and to thank Public Advocate Williams and Councilmembers Kallos and Lander for introducing Local Law 6276.

About the Center for NYC Neighborhoods

The Center promotes and protects affordable homeownership in New York so that middle- and working-class families are able to live in strong, thriving communities. Established by public and private partners, the Center meets the diverse needs of homeowners throughout New York state by offering free, high-quality housing services. Since our founding in 2008, our network has assisted more than 100,000 homeowners: Our clients are over 60% people of color, with an average household income of $38K. We have provided more than $33 million in direct grants to community-based partners, and we have been able to leverage this funding to oversee another $30 million in indirect funding support. The Center's work is counter-cyclical – our services are in higher demand in times of crisis – and we have developed expertise in responding quickly, in partnership with government, to achieve stabilization and safety for New Yorkers.

The Current Context

In the wake of the global coronavirus pandemic, New York's low- and moderate-income homeowner households face more challenges than ever to remaining in their homes. Thousands of New York's workers face unemployment and income loss, while those employed in essential businesses continue to work while exposed to greater risks of contracting infection.

As with many other ills, the effects of the COVID-19 pandemic are disproportionately felt among New York's black and brown communities. Majority minority communities have seen higher rates of COVID-19 infections and deaths. This disproportionate impact can be tied to decades of housing discrimination, segregation, and community under-investment which have negatively impacted access to sustainable, healthy homes and homeownership. Racialized policing policies, too, have added to the trauma felt by communities and individuals of color.

As we reflect on how we have failed these communities, we should also look forward to providing tangible relief and support. Although the lasting effects of the pandemic and its aftermath are uncertain, the experience of the Great Recession (2007-2009) teaches us that the economic effects are likely to exacerbate existing inequalities across racial and economic lines and to push sustainable homeownership even further out of reach for many of New York's working families. We must take proactive steps to proclaim that these communities matter, and that they do not lose even more due to COVID-19.

Property Tax Burdens Were a Problem Before COVID-19

Many NYC homeowners struggle to afford property tax, water, and other municipal charges. These charges can be a substantial burden for homeowners trying to keep their properties amidst rising real estate values and maintenance costs. We recently surveyed homeowners in East New York, Brooklyn, a community home to thousands of working- and middle-class homeowners, most of whom are people of color. Only 18% of homeowners surveyed reported that they had income left over each month after paying all their bills, while 58% said they break even, and 24% reported that they have to borrow or use credit cards to cover their regular expenses.[1]

A recent report from the NYC Comptroller demonstrated that property taxes place a disproportionate burden on lower-income homeowners. For homeowners making below $50,000 per year, their property tax burden is 12.7%, as compared to higher income homeowners, whose burdens are between 2% and 6%. The study also found that property taxes have soared since 2005 for homeowners across the income spectrum, while incomes have only risen moderately overall and have actually decreased for the lowest income homeowners.[2]

While Temporary Stopgaps are in Place, LMI Homeowners are at Severe Risk

New York's LMI homeowners, already in a tenuous position, are in even more risk of losing their homes as the economic fallout of the pandemic continues. More than **200** homeowners have recently called our hotline citing COVID-19, 30% were seniors. We expect to receive even more calls as homeowners continue to struggle with their expenses and as temporary protections are not renewed.

Foreclosure moratoria, forbearance plans, and unemployment insurance are providing thousands of NYC families with critical relief, but this assistance will not be enough to stabilize all homeowners in need. NYC's tens of thousand of two and three unit homeowners are facing the double challenge of experiencing income loss themselves while also struggling to collect rent from COVID-impacted tenants.

A late May Census Bureau survey of NY State homeowners found that 13% of NYS homeowners have no or only slight confidence in their ability to pay next month's mortgage obligation. Of NY respondents that report a loss of household employment income, only 54% have high confidence in their ability to make next month's mortgage payment.[3]

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[1] Center for NYC Neighborhoods, East New York: Preserving Affordability in the Face of Uncertainty, Oct. 2017. Available at: https://cnycn.org/eastnewyork/

[2] "Growing Unfairness The Rising Burden of Property Taxes on Low-Income Households", Office of Comptroller Scott Stringer, September 6, 2018. Available at: https://comptroller.nyc.gov/reports/growing-unfairness-the-rising-burden-of-property-taxes-on-low-income-households/

[3] https://www.census.gov/data/tables/2020/demo/hhp/hhp4.html

COVID-19 is Threatening Black and Brown Homeowners in Particular

We know that COVID-19 infections and deaths have occurred disproportionately in the black and Latinx community. The economic impacts of the crisis are also falling hardest on black and Latinx homeowners. In the late May survey, the Census bureau found that while 94% of non-Hispanic white homeowners in NY State had made their previous month's mortgage payment, that was only true for 69% of Latinx homeowners and 70% of black homeowners in the state.

Black and Latinx homeowners also reported much less confidence in their ability to make the next month's payments than white or Asian homeowners.

The Proposed Legislation is Step in the Right Direction

Expanding eligibility for property tax installment plans would be a helpful measure for thousands of households that are in a financially tenuous position. Moving expenses back in the year, to a time where more business will be open and the federal government may have provided housing assistance, will help COVID-impacted property owners get by during what we hope are the toughest months of this crisis. We are also pleased to see that this payment plan option will be calculated as a percentage of household income which will help the most burdened families manage this difficult time.

The Council and DOF should consider improving the administration of the installment plan for homeowners most in need. A burdensome application process and lack of outreach have left income-based payment plans under-utilized. To make sure this intervention is effective, DOF rulemaking should minimize document collection and applicant wait times and make sure that DOF staff and community-based partners are prepared to speak with homeowners about the new payment plan option.

The Tax Lien Sale Must Support Economic Recovery, Not Exacerbate Pain

While providing immediate relief for homeowners is necessary, we also must keep in mind that the tax lien sale must be renewed by City Council legislation by the end of the year. While the tax lien sale has been an effective enforcement mechanism to recoup foregone property taxes, it also puts many low- or moderate-income homeowners at risk of losing their homes, punishing them with compounding interest and staggering legal fees when what they really need is help stabilizing their finances and repairing their homes.

Seniors, a particularly hard group to reach, are also particularly vulnerable to the lien sale. Those who have paid off their mortgages--or who have a reverse mortgage on their home--still owe property taxes directly to the city. Although seniors receiving property tax exemptions are removed from the lien sale, too many fall through the cracks and find themselves unwittingly included in the lien sale.

The lien sale is also concentrated in communities of color. In 2019, homeowners in majority black census tracts were nearly 10 times more likely to have a tax lien sold than those in majority non-hispanic white tracts. Meanwhile, homeowners in majority Latinx census tracts were over 5 times more likely to have a tax lien sold than those in majority non-hispanic white tracts.

We ask that the council consider reforms that will align the lien sale with the city's urgent need to stabilize low- and moderate-income families. That can be achieved by exempting owner-occupied buildings or creating an alternative to the for-profit trust that currently has a monopoly over the lien sale. We welcome a conversation with the committee about how to create a just and fair outcome.

Installment Plans Must Be Part of a Broader Strategy

The COVID-19 crisis threatens to destabilize thousands of New York City homeowners at a time when foreclosure is still a major threat to many. In 2018, more than 30,000 New York City families received pre-foreclosure notices, meaning they were seriously delinquent on their mortgage and at risk of entering the foreclosure process.[4] Six of New York State's ten ZIP codes with the highest number of pre-foreclosure notices are in New York City: Canarsie and Flatlands/Marine Park in Brooklyn; Rochdale, Springfield Gardens, and St. Albans in Queens; and Bulls Head/New Springville on Staten Island.[5] Foreclosure auctions have also been increasing: in 2019, 3,056 homes in New York City were scheduled for auction, up from 936 in 2012.[6]

Over the coming year, foreclosure moratoria, forbearance plans, and unemployment insurance will sequentially expire exposing COVID-impacted homeowners to displacement. To avoid a wave of foreclosure, we need to look beyond tax installment plans and support foreclosure prevention services.

The Center for NYC Neighborhoods has developed innovative, high-quality services to help keep New York City homeowners in their homes, with a track record of success on behalf of LMI homeowners. The Center was founded to address the foreclosure crisis of the Great Recession and grew to address Hurricane Sandy - our services are critical to helping the city, and our fellow New Yorkers, find stability in times of crisis. This year, the Center requested $2,000,000 in City Council funding to support several initiatives to assist low- and moderate-income homeowners across New York City with an emphasis on adapting programs to address COVID-impacted families. Our original funding request was for an increase over last year's funding of $2,000,000 to help meet the full demand for our services, but that was before COVID-19, and we recognize there is a difficult budget outlook now.

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[4] New Economy Project, Foreclosure Risk in New York State: January 2019. Available at: https://www.neweconomynyc.org/wp-content/uploads/2019/01/Final_2018.pdf
[5] Id.
[6] Figures based on Center analysis of PropertyShark data.

We look forward to partnering with the City Council and the de Blasio administration to protect affordable homeownership during the pandemic and in its recovery. Thank you for the opportunity to testify today.

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Testimony of George Sweeting
Deputy Director, New York City Independent Budget Office
To the New York City Council Finance Committee
On Covid-Related Property Tax Deferrals

June 10, 2020

Good morning Chairman Dromm and members of the Committee. I am George Sweeting, deputy director of the New York City Independent Budget Office. Thank you for the opportunity to appear before you today. I will be addressing the two property tax deferral Intros.

Covid-19 has already taken a tremendous toll on New York City and it is far from over. Aside from the devastating health impacts, the need to shutter the economy has left the U.S. and the city in recession, with job losses not seen since the Great Depression. Many New York homeowners are facing lost or much-diminished incomes and are worried about their ability to pay their property taxes, which are due in a few weeks. Many commercial property owners report that they, too, may have trouble paying their property taxes because some of their tenants—of apartments and/or commercial space—are unable to pay their rent, leaving landlords with insufficient income to pay all of their bills.

The two Intros under discussion attempt to address these problems. Moreover, it is the city's most stable tax. Over the next 18 months, while the city's other major tax sources are forecast to decline or slow sharply, IBO expects revenue from the property tax to increase—taking at least some of the pressure off the rest of the city's tax base in the tough times ahead. Without advocating for or against these particular proposals, IBO suggests treading carefully lest the city undermine its most important revenue source, particularly when it remains uncertain whether the federal government will provide additional fiscal relief to the city.

There are three issues that merit particularly close attention. First is to ensure that enough taxpayers continue paying on the regular schedule to avoid disrupting the city's cash position. Early summer is the time when the city traditionally relies on July 1 property tax payments to meet its obligations. Given the deferral of income tax payments from April to July, there may be some leeway this year, but there is also greater uncertainty regarding all our taxes. Second is to make sure we are providing the relief that is necessary but not offering a break to owners who still have the ability to pay on schedule. At a time when the city is facing huge revenue shortfalls, it cannot afford to be inefficient in targeting relief. Third is to be realistic about the administrative effort that will be necessary to implement a deferral program, particularly on such short notice.

These proposals offer property owners the option of deferring taxes due on July 1. The first would apply to owners whose primary residence has an assessed value below $250,000 (the vast majority of one-, two-, and three-family houses, coops, and condos qualify under this test) and whose household income is below $200,000 (according to census data, only about 10 percent of homeowners in the city would be excluded by the this criterion). Owners who meet these criteria and who faced some health or economic hardship due to Covid-19 can apply for the right to defer their July 1 tax payment until October 1 without incurring penalty or interest. IBO does not have the access to homeowner income data or information on individual and household impacts of Covid-19 that would allow us to offer a robust estimate of how much revenue would be deferred. A rough estimate using property values, census income data, and zip code health statistics suggests about $500 million in collections could be shifted from July to October, which is about one-third of what small property owners usually pay on July 1. It is notable that when looking at the zip code level, areas hardest hit by Covid-19 have low homeownership rates. Homeownership and property values are generally higher in zip codes with relatively low Covid-19 infection rates.

The second proposal would also offer owners of commercial properties with assessed value over $250,000 the chance to defer property taxes due July 1, but on different terms. Property owners would have to pay a quarter of their deferred payment by October 1, 2020 and pay the remainder by May 1, 2021 with interest accruing at a rate of 9 percent. Owners with either commercial or residential tenants would be required to offer rent forbearance during the deferral period. Properties affected by the Covid-19 public health orders or occupied by tenants who were impacted would be eligible. Many properties would be eligible under this proposal and these properties are responsible for a much greater share of baseline property taxes than small property owners. However, the accrual of interest and the requirement to offer rental forbearance during the deferral period will likely discourage many from participating. IBO does not have an estimate of the amount of revenue that would be deferred.

Both of these proposals would take effect on July 1. They both require individual deferral agreements between property owners and the Department of Finance to be worked out quickly enough so that owners can benefit when the need is greatest. The finance department would also be required to promulgate rules and applications for owners to submit their documentation of Covid-19 and/or economic impacts that would qualify the owner for a deferral. A major concern is that the administrative burden on both applicants and the finance department will be high and pressure will grow to approve applications with little review. This could result in granting deferrals that might not be justified—undermining the collection of property tax revenue the city is counting on.

Thank you again for the opportunity to testify today and I am happy to answer any questions you may have.

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Testimony of Jonathan Rosenberg
Director of Budget Review, New York City Independent Budget Office
To the New York City Council Finance Committee
On Tracking the City's Covid-Related Expenses

June 10, 2020

Good morning Chairman Dromm and the members of the Committee on Finance. I am Jonathan Rosenberg, the director of budget review at the New York City Independent Budget Office. Thank you for giving me this opportunity to testify today regarding Intro. 1952, which would require the creation of an expenditure tracker for all city expenses related to the Covid-19 pandemic.

IBO's role is to provide nonpartisan information on the city's budget to members of the Council, other elected officials, and the public. As we have testified in the past, we generally support efforts to increase government transparency, particularly when it provides the public with information that is presented in a straightforward, easy to understand way. This is of particular importance today in light of the many millions of dollars the city is spending on Covid-19 related expenses.

City expenditures related to the Covid-19 pandemic have already exceeded $2.0 billion with $2.8 billion budgeted for such expenditures in the current fiscal year. But these totals only include what the city plans to submit to Federal Emergency Management Agency for reimbursement and not expenditures using the funds flowing to the city from the four coronavirus relief packages passed by Congress earlier this year. In April, IBO estimated that over $5 billion in aid from these relief packages could eventually flow to the city. Note that this total does not include other funds that are expected to be provided to agencies outside of the city's budget including the Metropolitan Transportation Authority, NYC Health + Hospitals, and the city's public housing authority.

In early April, IBO brought online its own dashboard to track the city's Covid-19-related expenditures. IBO's dashboard presents Covid-19 expenditure information aggregated in three ways: by date, by agency, and by expenditure type. The aggregated data is also broken down into its component parts with spending by date categorized by agency and spending by agency broken down by expense description. The dashboard envisioned under Intro 1952 would add considerably more detail on individual contracts and provide a searchable database of all contracts and purchases tracked in the dashboard. Because of the special circumstances surrounding the pandemic and the need to quickly procure many critical items, the city waived its normal contracting process. While few would doubt that there was a need to expeditiously acquire necessary life-saving materials it is also of critical importance that the expenditures are done in the light of day. A public database and tracker would provide the transparency necessary particularly when the safeguards provided for by the city's typical contracting process are suspended.

Given IBO's support for increased transparency and data sharing in general, the Covid-19 Expense Tracker required by Intro 1952 is of particular interest to IBO and certainly would be a benefit to the public. Thank you for giving me this time to speak with you and I am happy to answer any questions you may have.

TESTIMONY OF THE QUEENS & BRONX BUILDING ASSOCIATION BEFORE THE COMMITTEE ON FINANCE

COUNCIL OF THE CITY OF NEW YORK

JUNE 10, 2020

My name is Robert Altman and I represent the Queens & Bronx Building Association. I am here to testify on the two Pre-Considered bills which allow for the deferral of tax payments on certain properties.

Generally speaking, we oppose the legislation. That might seem surprising. But given the Council's recent generosity on certain to tenants (often at the expense of building owners), it would seem that it should be similarly generous to those struggling with property tax bills. But these bills are nothing more than a façade. They do so little, impact so few and have such narrow provisions (and in the case of the larger properties such a high interest rate) as to render the bills essentially worthless except for an <u>extremely</u> narrow subset of property owners. As such, we have no interest in supporting legislation which is designed to make certain elected officials have a claim to say to others that they were looking to help, when in fact, they are doing so little. And this is particularly galling: with a 9% interest rate, the legislation obscenely seeks to make a profit on the pandemic since the City will simply borrow at a much lower rate than 9% for any deficiencies and then collect the 9% later on from the property owner. If the intent of the legislation was to have the pandemic do no harm, then the interest rate should have rendered no profit to the City. But by creating a profit, the City essentially creates no substantive harm to the City (and in fact, creates a benefit to it) while still harming the property owner. This is cynical legislation.

So, given the narrowness and frankly the stinginess of such legislation, we would rather not have anything at all and we oppose both bills.

THE KEY TO NEW YORK CITY HOSPITALITY

34 EAST 51ST STREET, 8TH FLOOR, NEW YORK, NY 10022
TEL (212) 754-6700 FAX (212) 754-6703
www.hanyc.org

June 10, 2020

Testimony from the Hotel Association of NYC (HANYC)

Council Committee on Finance Hearing

Re: T2020-6277 – Deferral of property tax liability on real property with an assessed value exceeding two hundred fifty thousand dollars owned by certain property owners impacted by COVID-19

To the Council Committee on Finance:

My name is Vijay Dandapani, and I am President & CEO of the Hotel Association of NYC, a trade association representing over 300 hotels in New York City.

As you are aware, the impact of COVID-19 on the hotel industry has been extreme. Nationally, the industry is seeing an impact as large as seven times greater than the impact from 9/11, and we are feeling this impact perhaps more intensely--and were feeling it earlier--here in New York City.

The impact of COVID-19 has created an untenable situation for the hotel industry in NYC, with hotels across the City closing, either permanently or temporarily, unsure if they will be able to reopen and rehire workers.

Despite these burdens, hotels are doing all they can to support the City's COVID-19 relief efforts. We are partnering with the City and providing hotel space, at cost, wherever we can help address a need. We have offered space for hospital beds to help with hospital capacity expansion, we are working with the Department of Homeless Services to provide rooms for homeless individuals in need of additional space, and we are providing rooms for healthcare personnel in need of a place to stay to safely quarantine. We will continue to work with the City to address needs as they arise, and we hope our efforts will contribute to the City's overall efforts to slow the spread and keep New Yorkers safe.

The proposed legislation would give us additional time to pay our already disproportionately large property tax burden with a limited interest rate, which would provide us with some time to recover and find ways to pay the amount due. This bill would provide us with some desperately needed relief at a time when most hotels have had almost no cash flow for a period of months, and are not seeing any change in that in the near future.

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Efforts such as what this bill would achieve will make it more likely that hotels in survive the economic impact of the pandemic and reopen on the other side, therefore providing an important tax base to the City through multiple taxes assessed on hotels, and continuing to boost the City's tourism economy.

Hotels will play an important role in the economic revitalization of the City that is to come, and providing this kind of relief and flexibility in property tax payment is a very positive step towards supporting hotels through this difficult time.

On behalf of my members across the City, thank you for this effort.

Sincerely,

Vijay Dandapani

Vijay Dandapani
President & CEO
Hotel Association of NYC (HANYC)

NYC | HOSPITALITY ALLIANCE

Testimony of
the New York City Hospitality Alliance
Before the Committee on Finance
June 10, 2020

My name is Andrew Rigie, and I am Executive Director of the New York City Hospitality Alliance ("The Alliance"), a not-for-profit trade association representing restaurants and nightlife establishments throughout the five boroughs. I want to thank Chair Danny Dromm, and members of the Committee on Finance for the opportunity to present our support for T2020-6277 and T2020-6276 sponsored by Public Advocate Williams and Councilmember Chin respectively.

The New York City hospitality industry has been devastated by the COVID-19 pandemic. Many business owners have been mandated to close or allowed to operate at a very limited capacity. These measures have left owners with little room to run their operations and generate revenue, let alone pay their bills. Because of the mounting economic pressures that business owners have been facing, The Alliance, along with other business associations, have been advocating for government support that will directly help commercial tenants and landlords.

The Alliance supports T2020-6277 and T2020-6276 which will help alleviate immediate financial pressures on small businesses and landlords during these trying times. While offering commercial tenants the option for a forbearance on rent, and no late fees, are important steps in helping them with their rent obligations, the City Council must now focus on commercial rent forgiveness. Realistically, most small businesses cannot pay back multiple months of missed rent due to the pandemic, and once they are permitted to reopen under reduced occupancy, they won't be able to pay 100% of their pre-pandemic rent. We encourage the City Council to consider more financial assistance to commercial tenants and landlords, otherwise we're concerned there will be defaults through the system, which will deepen our economic crisis . We are thankful for these bills as they will provide much-needed breathing room for both parties as they negotiate their future relationships and enter into the recovery period, but we must do more.

The hospitality industry in NYC is essential to the city's economy and vibrant culture. Our City will not recover if the hospitality industry is not at the core of our recovery. We appreciate the City Council and the Committee on Finance for your time and consideration of this legislation and are eager to continue to explore various ways to help our small business owners. We urge you to enact T2020-6277 and T2020-6276.

I am reachable at arigie@thenycalliance.org if you have comments and/or questions.

Respectfully submitted,

Andrew Rigie
Executive Director
NYC Hospitality Alliance

Testimony before the City Council Committee on Finance:
T2020-6276: A Local Law in relation to the deferral of property tax liability on real property with an assessed value of two hundred fifty thousand dollars or less owned by certain property owners impacted by COVID-19

Good morning. My name is Christie Peale, and I am the Executive Director and CEO at the Center for NYC Neighborhoods. I would like to thank the chair and the committee for giving us the opportunity to testify today, and to thank Public Advocate Williams and Councilmembers Kallos and Lander for introducing Local Law 6276.

About the Center for NYC Neighborhoods

The Center promotes and protects affordable homeownership in New York so that middle- and working-class families are able to live in strong, thriving communities. Established by public and private partners, the Center meets the diverse needs of homeowners throughout New York state by offering free, high-quality housing services. Since our founding in 2008, our network has assisted more than 100,000 homeowners: Our clients are over 60% people of color, with an average household income of $38K. We have provided more than $33 million in direct grants to community-based partners, and we have been able to leverage this funding to oversee another $30 million in indirect funding support. The Center's work is counter-cyclical – our services are in higher demand in times of crisis – and we have developed expertise in responding quickly, in partnership with government, to achieve stabilization and safety for New Yorkers.

The Current Context

In the wake of the global coronavirus pandemic, New York's low- and moderate-income homeowner households face more challenges than ever to remaining in their homes. Thousands of New York's workers face unemployment and income loss, while those employed in essential businesses continue to work while exposed to greater risks of contracting infection.

As with many other ills, the effects of the COVID-19 pandemic are disproportionately felt among New York's black and brown communities. Majority minority communities have seen higher rates of COVID-19 infections and deaths. This disproportionate impact can be tied to decades of housing discrimination, segregation, and community under-investment which have negatively impacted access to sustainable, healthy homes and homeownership. Racialized policing policies, too, have added to the trauma felt by communities and individuals of color.

As we reflect on how we have failed these communities, we should also look forward to providing tangible relief and support. Although the lasting effects of the pandemic and its aftermath are uncertain, the experience of the Great Recession (2007-2009) teaches us that the economic effects are likely to exacerbate existing inequalities across racial and economic lines and to push sustainable homeownership even further out of reach for many of New York's working families. We must take proactive steps to proclaim that these communities matter, and that they do not lose even more due to COVID-19.

Property Tax Burdens Were a Problem Before COVID-19

Many NYC homeowners struggle to afford property tax, water, and other municipal charges. These charges can be a substantial burden for homeowners trying to keep their properties amidst rising real estate values and maintenance costs. We recently surveyed homeowners in East New York, Brooklyn, a community home to thousands of working- and middle-class homeowners, most of whom are people of color. Only 18% of homeowners surveyed reported that they had income left over each month after paying all their bills, while 58% said they break even, and 24% reported that they have to borrow or use credit cards to cover their regular expenses.[1]

A recent report from the NYC Comptroller demonstrated that property taxes place a disproportionate burden on lower-income homeowners. For homeowners making below $50,000 per year, their property tax burden is 12.7%, as compared to higher income homeowners, whose burdens are between 2% and 6%. The study also found that property taxes have soared since 2005 for homeowners across the income spectrum, while incomes have only risen moderately overall and have actually decreased for the lowest income homeowners.[2]

While Temporary Stopgaps are in Place, LMI Homeowners are at Severe Risk

New York's LMI homeowners, already in a tenuous position, are in even more risk of losing their homes as the economic fallout of the pandemic continues. More than **200** homeowners have recently called our hotline citing COVID-19, 30% were seniors. We expect to receive even more calls as homeowners continue to struggle with their expenses and as temporary protections are not renewed.

Foreclosure moratoria, forbearance plans, and unemployment insurance are providing thousands of NYC families with critical relief, but this assistance will not be enough to stabilize all homeowners in need. NYC's tens of thousand of two and three unit homeowners are facing the double challenge of experiencing income loss themselves while also struggling to collect rent from COVID-impacted tenants.

A late May Census Bureau survey of NY State homeowners found that 13% of NYS homeowners have no or only slight confidence in their ability to pay next month's mortgage obligation. Of NY respondents that report a loss of household employment income, only 54% have high confidence in their ability to make next month's mortgage payment.[3]

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[1] Center for NYC Neighborhoods, East New York: Preserving Affordability in the Face of Uncertainty, Oct. 2017. Available at: https://cnycn.org/eastnewyork/

[2] "Growing Unfairness The Rising Burden of Property Taxes on Low-Income Households", Office of Comptroller Scott Stringer, September 6, 2018. Available at: https://comptroller.nyc.gov/reports/growing-unfairness-the-rising-burden-of-property-taxes-on-low-income-households/

[3] https://www.census.gov/data/tables/2020/demo/hhp/hhp4.html

COVID-19 is Threatening Black and Brown Homeowners in Particular

We know that COVID-19 infections and deaths have occurred disproportionately in the black and Latinx community. The economic impacts of the crisis are also falling hardest on black and Latinx homeowners. In the late May survey, the Census bureau found that while 94% of non-Hispanic white homeowners in NY State had made their previous month's mortgage payment, that was only true for 69% of Latinx homeowners and 70% of black homeowners in the state.

Black and Latinx homeowners also reported much less confidence in their ability to make the next month's payments than white or Asian homeowners.

The Proposed Legislation is Step in the Right Direction

Expanding eligibility for property tax installment plans would be a helpful measure for thousands of households that are in a financially tenuous position. Moving expenses back in the year, to a time where more business will be open and the federal government may have provided housing assistance, will help COVID-impacted property owners get by during what we hope are the toughest months of this crisis. We are also pleased to see that this payment plan option will be calculated as a percentage of household income which will help the most burdened families manage this difficult time.

The Council and DOF should consider improving the administration of the installment plan for homeowners most in need. A burdensome application process and lack of outreach have left income-based payment plans under-utilized. To make sure this intervention is effective, DOF rulemaking should minimize document collection and applicant wait times and make sure that DOF staff and community-based partners are prepared to speak with homeowners about the new payment plan option.

The Tax Lien Sale Must Support Economic Recovery, Not Exacerbate Pain

While providing immediate relief for homeowners is necessary, we also must keep in mind that the tax lien sale must be renewed by City Council legislation by the end of the year. While the tax lien sale has been an effective enforcement mechanism to recoup foregone property taxes, it also puts many low- or moderate-income homeowners at risk of losing their homes, punishing them with compounding interest and staggering legal fees when what they really need is help stabilizing their finances and repairing their homes.

Seniors, a particularly hard group to reach, are also particularly vulnerable to the lien sale. Those who have paid off their mortgages--or who have a reverse mortgage on their home--still owe property taxes directly to the city. Although seniors receiving property tax exemptions are removed from the lien sale, too many fall through the cracks and find themselves unwittingly included in the lien sale.

The lien sale is also concentrated in communities of color. In 2019, homeowners in majority black census tracts were nearly 10 times more likely to have a tax lien sold than those in majority non-hispanic white tracts. Meanwhile, homeowners in majority Latinx census tracts were over 5 times more likely to have a tax lien sold than those in majority non-hispanic white tracts.

We ask that the council consider reforms that will align the lien sale with the city's urgent need to stabilize low- and moderate-income families. That can be achieved by exempting owner-occupied buildings or creating an alternative to the for-profit trust that currently has a monopoly over the lien sale. We welcome a conversation with the committee about how to create a just and fair outcome.

Installment Plans Must Be Part of a Broader Strategy

The COVID-19 crisis threatens to destabilize thousands of New York City homeowners at a time when foreclosure is still a major threat to many. In 2018, more than 30,000 New York City families received pre-foreclosure notices, meaning they were seriously delinquent on their mortgage and at risk of entering the foreclosure process.[4] Six of New York State's ten ZIP codes with the highest number of pre-foreclosure notices are in New York City: Canarsie and Flatlands/Marine Park in Brooklyn; Rochdale, Springfield Gardens, and St. Albans in Queens; and Bulls Head/New Springville on Staten Island.[5] Foreclosure auctions have also been increasing: in 2019, 3,056 homes in New York City were scheduled for auction, up from 936 in 2012.[6]

Over the coming year, foreclosure moratoria, forbearance plans, and unemployment insurance will sequentially expire exposing COVID-impacted homeowners to displacement. To avoid a wave of foreclosure, we need to look beyond tax installment plans and support foreclosure prevention services.

The Center for NYC Neighborhoods has developed innovative, high-quality services to help keep New York City homeowners in their homes, with a track record of success on behalf of LMI homeowners. The Center was founded to address the foreclosure crisis of the Great Recession and grew to address Hurricane Sandy - our services are critical to helping the city, and our fellow New Yorkers, find stability in times of crisis. This year, the Center requested $2,000,000 in City Council funding to support several initiatives to assist low- and moderate-income homeowners across New York City with an emphasis on adapting programs to address COVID-impacted families. Our original funding request was for an increase over last year's funding of $2,000,000 to help meet the full demand for our services, but that was before COVID-19, and we recognize there is a difficult budget outlook now.

[4] New Economy Project, Foreclosure Risk in New York State: January 2019. Available at: https://www.neweconomynyc.org/wp-content/uploads/2019/01/Final_2018.pdf
[5] Id.
[6] Figures based on Center analysis of PropertyShark data.

We look forward to partnering with the City Council and the de Blasio administration to protect affordable homeownership during the pandemic and in its recovery. Thank you for the opportunity to testify today.

6/12/2020

Dear Finance Committee:

The Baccarat Hotel in New York City, located on 20 West 53rd Street, would like to participate in relief for the upcoming property tax bill that is due on 7/1/2020.

With the hotel closed since March 2020, cash flow is severely impacted.

Providing an installment plan for our property will greatly provide us with much needed relief.

Thank you for your time, and if you would like to discuss further, please feel free to reach me at 646-469-2202.

Best Regards,

Mohana Khaled

Director of Finance, Baccarat Hotel New York

Council of New York Cooperatives & Condominiums
INFORMATION, EDUCATION AND ADVOCACY

250 West 57 Street • Suite 730 • New York, NY 10107-0700

TESTIMONY TO THE CITY COUNCIL FINANCE COMMITTEE
Regarding T2020-6276 and T2020-6277
June 10, 2020

The Council of New York Cooperatives & Condominiums (CNYC Inc.) is a membership organization providing information, education and advocacy for housing cooperatives and condominiums located throughout the five boroughs of New York City and beyond. More than 170,000 diverse New York families make their homes in CNYC member buildings, which span the full economic spectrum from very modest, income-restricted housing to middle class apartment complexes to upscale dwellings. Since 1990, CNYC has been active in seeking property tax fairness for its members and for all New York City taxpayers.

Today our City, State and Nation face an unparalleled health, economic and social crisis. Unemployment is at record highs, earnings have been curtailed by the pandemic for businesses and individuals alike and relief from the Federal Government has been sparse. Our residential buildings are coping with the reality that many commercial and residential tenants cannot pay their rents or maintenance costs. Relief is sorely needed and we are grateful for this hearing's focus on these critical challenges.

CNYC appreciates the bills being considered today for the relief they would provide for those residential and commercial tenants who are most vulnerable and directly impacted by COVID-19. We also recognize that the City is itself in a precarious fiscal position and must be careful that any relief does not jeopardize its own financial integrity. However, we respectfully suggest that more can and should be done to help all New York City taxpayers in this difficult time.

CNYC has joined with the Hospitality Alliance, the Hotel Association of New York City, the NAACP New York State Conference, the Building Owners and Managers Association, the Real Estate Board of New York and the Brooklyn and Queens Chamber of Commerce to call for a reduction in interest penalties for late payment to 3% and to allow taxpayers to adopt monthly payment plans without penalties or interest. Most importantly, we ask that property taxes be frozen at last year's rate, rather than increasing based on new assessments which reflect values on January 5, 2020, before COVID-19 changed everything. Ultimately, we advocate for the maximum tax relief possible for our struggling residential buildings without jeopardizing the fiscal health of our City.

Continued on next page

Phone 212 496-7400 • Fax 212 580-7801 • e-mail info@CNYC.coop • Website: www.CNYC.coop

With regard to the proposed legislation, T2020-6276 is an admirable proposal. It will help homeowners – including those in cooperatives and condominiums – whose primary residence has an assessed value of $250,000 or less, whose family income is $200,000 or less and who have been impacted by the pandemic by deferring without interest or penalty the payment of their July 1 property taxes until October. It also raises to a family income of $200,000 the threshold for eligibility for other government programs. We are concerned that a three month deferral will not be sufficient for all of these taxpayers to recover to a point where they will able to recommence their property tax payments. However, we wholeheartedly support the idea of temporary relief for the struggling middle class homeowners who are invested in their communities and the future of our City.

T-2020-6277 proposes a similar deferral of property tax payment to owners of property of higher value where the pandemic has caused significant decline in income. Repayment must commence by October and be completed by May 1, 2020, with 9% interest charged on the amounts owed and requirements of rent forbearance. We think the reduced interest on late payments for all taxpayers will provide some relief – though 9% is still a painfully high rate. We also appreciate the recognition implicit in this bill that residential buildings rely on their commercial tenants to offset costs for residential tenants. However, we urge the Council to do more.

We strongly urge the committee to consider our reasonable proposals detailed above.

Thank you for this opportunity to express our views.

Mary Ann Rothman
Executive Director

ST GILES HOTELS

St Giles Hotels LLC
130 East 39th Street
New York NY 10016
P (917) 974-7091
June 8th, 2020

Re: Property Tax Payment Delay – Request for Assistance in Asking New York City St Giles Court and Tuscany Hotels

Dear Congresswoman Carolyn Maloney,

I am the proud owner of the St Giles Court and Tuscany Hotels located at 120 E 39th Street (Lexington Avenue and 39th Street), and I am writing to request your help in finding a path forward on a pending tax matter so that I can continue to be a business owner in the greatest city in the world.

While the devastating impacts of the COVID-19 pandemic have been felt across the globe, New York City has been hit particularly hard. We recognize and honor all of our neighbors who have succumbed to this virus and we applaud all those within our community who have done their part to find a path forward. We at St. Giles Court and Tuscany Hotels, have had to furlough staff and close both hotels due to the downturn caused by the Covid-19 pandemic. We stand ready to return to operations and help the city recover as soon as it is financially feasible.

In addition to the loss of life and the trauma this pandemic has caused, the economic impacts to the City have been staggering. In fact, the financial devastation to the local hotel industry is expected to be nine times grater than that of September 11. As businesses in the City prepare to move back to work in various phases, we know that the hotel industry will be the last to return. Large scale travel will likely not resume until a vaccine is in place or until people feel confident that they aren't risking their lives in the process. While there remains great uncertainty about the future of travel, we are doing the best we can to prepare for the future and to survive until travelers return to New York City. One certainty that we can prepare for is taxes.

New York City has chosen not to delay the looming July 1 property tax deadline. While I understand that the City is also facing its own financial crises, this deadline has put me and the St Giles Court and Tuscany Hotels, along with the entire hotel industry in New York City in an untenable position. 2020 tax assessments are based on 2019 data, but it is clear that 2020 will be a significantly different year than that of 2019. For example, my hotel was closed on March 20 and has not yet reopened. As of May, we had $2.2 million less in revenue as compared to last year. The revenue of $1.2 million in 2020 thus far barely covered my operating costs for January through March, as the first quarter is usually slow with low occupancy and low average hotel rates.

ST GILES HOTELS

Prior to the pandemic, I had 70 employees at both hotels. I currently have 7 employees on staff, just security and maintenance. What I want more than anything is to get our employees back, get our guests back, and continue to contribute to the economy of the greatest city on the world. But until we can do that safely, I must do everything within my power to ensure that the St Giles Court and Tuscany is still in business when everyone is ready to travel again. Delaying property taxes is a first step that can help me maintain the business until that time.

While I understand that this is seemingly a local issue, we believe that there are a variety of ways Congress and the Administration can impact this process. Representatives from the Hotel Association of New York City have already been or will be in touch with your office to discuss various options with staff, and we encourage you to engage directly on this issue. We know that the hotel industry in New York City will play a critical role in the economic comeback of both the City and the nation. But to be a part of the recovery, we must first survive.

Again, representatives from HANYC are already in touch, but if you have any questions and want to discuss these issues directly, please don't hesitate to reach out to me, Anupam Bhaumik, at (917) 974-7091 or Anupamb@stgilesnewyork.com.

Sincerely,

Anupam Bhaumik
Controller

Dear, Council Committee on Finance:

I am the proud owner representative of the InterContinental New York Barclay located at 48th & Lexington, and I am writing to request your help in finding a path forward on a pending tax matter so that I can continue to be a business owner in the greatest city in the world.

While the devastating impacts of the COVID-19 pandemic have been felt across the globe, New York City has been hit particularly hard. We recognize and honor all of our neighbors who have succumbed to this virus and we applaud all those within our community who have done their part to find a path forward.

In addition to the loss of life and the trauma this pandemic has caused, the economic impacts to the City have been staggering. In fact, the financial devastation to the local hotel industry is expected to be nine times grater than that of September 11. As businesses in the City prepare to move back to work in various phases, we know that the hotel industry will be the last to return. Large scale travel will likely not resume until a vaccine is in place or until people feel confident that they aren't risking their lives in the process. While there remains great uncertainty about the future of travel, we are doing the best we can to prepare for the future and to survive until travelers return to New York City. One certainty that we can prepare for is taxes.

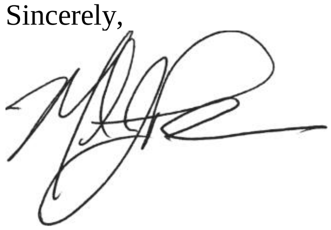
New York City has chosen not to delay the looming July 1 property tax deadline. While I understand that the City is also facing its own financial crises, this deadline has put me and the [InterContinental New York Barclay, along with the entire hotel industry in New York City in an untenable position. 2020 tax assessments are based on 2019 data, but it is clear that 2020 will be a significantly different year than that of 2019. For example, my hotel was closed on April 10th and still has yet to reopen.

Prior to the pandemic, I had 348 employees at InterContinental New York Barclay. I currently have 14 employees on staff. What I want more than anything is to get our employees back, get our guests back, and continue to contribute to the economy of the greatest city on the world. But until we can do that safely, I must do everything within my power to ensure that InterContinental New York Barclay is still in business when everyone is ready to travel again. Delaying property taxes is a first step that can help me maintain the business until that time.

While I understand that this is seemingly a local issue, we believe that there are a variety of ways Congress and the Administration can impact this process. Representatives from the Hotel Association of New York City have already been or will be in touch with your office to discuss various options with staff, and we encourage you to engage directly on this issue. We know that the hotel industry in New York City will play a critical role in the economic comeback of both the City and the nation. But to be a part of the recovery, we must first survive.

Again, representatives from HANYC are already in touch, but if you have any questions and want to discuss these issues directly, please don't hesitate to reach out to me at 404-307-3258 or Michael.Palumbo@ihg.com.

Sincerely,



KSSNY, INC.

June 12, 2020

Re: T2020-6277 – Deferral of property tax liability on real property with an assessed value exceeding two hundred fifty thousand dollars owned by certain property owners impacted by COVID-19

To the Council Committee on Finance:

I represent the Owners of KSSNY, Inc., operating as the Sofitel New York Hotel, located at 45 West 44th Street in New York City, and we are writing in support of providing much needed property tax relief for hotels in the form of a deferral with a significantly lowered interest rate for payment

While the devastating impacts of the COVID-19 pandemic have been felt across the globe, New York City has been hit particularly hard and the tourism / hospitality industry even more so. We understand that many businesses and property owners are struggling at this moment, but the impact to the hotel industry will, unfortunately, be felt for years after the pandemic passes. We at, the Sofitel New York, were forced to temporarily suspend our operations in mid-March due to the impact of the COVID-19 pandemic.

In addition to the loss of life and the trauma this pandemic has caused, the economic impact to the City have been staggering. In fact, the financial devastation to the local hotel industry is expected to be **nine times greater** than that of September 11. As businesses in the City prepare to move back to work in various phases, we know that the hotel industry will be the last to return. Large scale travel will likely not resume until a vaccine is in place or until people feel confident that they are not risking their lives in the process. While there remains great uncertainty about the future of travel, we are doing the best we can to prepare for the future and to survive until travelers return to New York City.

Prior to the pandemic, we had 267 dedicated and hard-working employees at the Sofitel New York. We currently have only 38 employees on staff, most of whom are also on reduced hours. What I want more than anything is to get our employees back, get our guests back, and continue to contribute to the economy of the great city of New York. But until we can do that safely, we must do everything within my power to ensure that the Sofitel New York is still in business when everyone is ready to travel again.

c/o KSSNY, INC. 45 WEST 44th STREET, NEW YORK, NY 10036
TEL.: (212) 782-3005 FAX: (212) 782-3065

KSSNY, INC.

One of the key factors impacting our ability to remain in operation is our property tax burden. This bill would give us additional time to pay our already disproportionately large property tax burden with a limited interest rate, which would provide us with some time to recover and find ways to pay the amount due.
While we understand that the City is also facing its own financial crises, this deadline has put us and the Sofitel New York, along with the entire hotel industry in New York City in an untenable position. The 2020 tax assessments are based on 2019 data, but it is clear that 2020 will be a significantly different year than that of 2019. As previously stated, our hotel was forced to close in mid-March and has not yet reopened. Our latest business projections for 2020 are showing year-over-year revenue declines of 72%, representing more than $41m in lost revenues, thereby generating substantial losses.

We know that the hotel industry will play a critical role in the economic comeback of the City as a whole, and in order to contribute to this effort, hotels must first get through this time. Efforts such as this bill will make it more likely that my hotel and others in my position will be able to survive the economic impact of the pandemic to reopen on the other side.

Should you have any questions and want to discuss these issues directly, please do not hesitate to reach out to me at robertroy@keckseng-na.com. Thank you in advance for your support and for any assistance you can provide us in this most challenging time.

Sincerely,

Robert Roy
Regional Vice President
KSSNY, Inc.

KSNY ENTERPRISES LTD.

June 12, 2020

Re: T2020-6277 – Deferral of property tax liability on real property with an assessed value exceeding two hundred fifty thousand dollars owned by certain property owners impacted by COVID-19

To the Council Committee on Finance:

I represent the Owners of KSNY Enterprises Ltd., operating as the SpringHill Suites by Marriott Midtown Manhattan, located at 25 West 37th Street in New York City, and we are writing in support of providing much needed property tax relief for hotels in the form of a deferral with a significantly lowered interest rate for payment

While the devastating impacts of the COVID-19 pandemic have been felt across the globe, New York City has been hit particularly hard and the tourism / hospitality industry even more so. We understand that many businesses and property owners are struggling at this moment, but the impact to the hotel industry will, unfortunately, be felt for years after the pandemic passes. We at, the SpringHill Suites by Marriott, were forced to temporarily suspend our operations in mid-March due to the impact of the COVID-19 pandemic.

In addition to the loss of life and the trauma this pandemic has caused, the economic impact to the City have been staggering. In fact, the financial devastation to the local hotel industry is expected to be **nine times greater** than that of September 11. As businesses in the City prepare to move back to work in various phases, we know that the hotel industry will be the last to return. Large scale travel will likely not resume until a vaccine is in place or until people feel confident that they are not risking their lives in the process. While there remains great uncertainty about the future of travel, we are doing the best we can to prepare for the future and to survive until travelers return to New York City.

Prior to the pandemic, we had 55 dedicated and hard-working employees at the SpringHill Suites by Marriott. We currently have only 14 employees on staff, most of whom are also on reduced hours. What I want more than anything is to get our employees back, get our guests back, and continue to contribute to the economy of the great city of New York. But until we can do that safely, we must do everything within my power to ensure that the SpringHill Suites by Marriott is still in business when everyone is ready to travel again.

c/o KSSNY, INC. 45 WEST 44th STREET, NEW YORK, NY 10036
TEL.: (212) 782-3005 FAX: (212) 782-3065

One of the key factors impacting our ability to remain in operation is our property tax burden. This bill would give us additional time to pay our already disproportionately large property tax burden with a limited interest rate, which would provide us with some time to recover and find ways to pay the amount due.

While we understand that the City is also facing its own financial crises, this deadline has put us and the SpringHill Suites by Marriott, along with the entire hotel industry in New York City in an untenable position. The 2020 tax assessments are based on 2019 data, but it is clear that 2020 will be a significantly different year than that of 2019. As previously stated, our hotel was forced to close in mid-March and has not yet reopened. Our latest business projections for 2020 are showing year-over-year revenue declines of 70%, representing more than $9.5m in lost revenues, thereby generating substantial losses.

We know that the hotel industry will play a critical role in the economic comeback of the City as a whole, and in order to contribute to this effort, hotels must first get through this time. Efforts such as this bill will make it more likely that my hotel and others in my position will be able to survive the economic impact of the pandemic to reopen on the other side.

Should you have any questions and want to discuss these issues directly, please do not hesitate to reach out to me at robertroy@keckseng-na.com. Thank you in advance for your support and for any assistance you can provide us in this most challenging time.

Sincerely,

Robert Roy
Regional Vice President
KSNY Enterprises Ltd.

THE
KITANO HOTEL
NEW YORK

June 12, 2020

Re: T2020-6277 – Deferral of property tax liability on real property with an assessed value exceeding two hundred fifty thousand dollars owned by certain property owners impacted by COVID-19

To the Council Committee on Finance:

I am the proud Director and General Manager of the Kitano Hotel New York located at 66 Park Avenue and 38th Street. I am writing in support of providing property tax relief for hotels in the form of a deferral with a lowered interest rate for payment.

As you know, the hotel industry has been hit especially hard from COVID-19. We understand that many businesses and property owners are struggling at this moment, but the impact to the hotel industry will, unfortunately, be felt for years after the pandemic passes.

Many hotels were forced to shut down temporarily, others are almost empty, and some sadly will never open again .We recognize and honor all of our neighbors who have succumbed to this virus and we applaud all those within our community who have done their part to find a path forward. We, at The Kitano Hotel New York, have found a way to support the City by offering space, at cost, for those who have nowhere else to go and keep some of our team working.

In addition to the loss of life and the trauma this pandemic has caused, the economic impacts to the City have been staggering. In fact, the financial devastation to the local hotel industry is expected to be nine times greater than that of September 11. COVID-19 has devastated the hotel industry and New Yorkers have suffered the most. The industry's revenues and credit metrics will likely return to 2019 levels by 2023, but many of us may not recover at the same pace.

As businesses in the City prepare to move back to work in various phases, we know that the hotel industry will be the last to return. Large-scale travel will likely not resume until a vaccine is in place or until people feel confident that they aren't risking their lives in the process. We are doing our best to prepare for the future and to survive until travelers return to New York City. One of the key factors impacting our ability to remain in operation is our property tax burden.

This bill would give us additional time to pay our already disproportionately large property tax burden with a limited interest rate, which would provide us with some time to recover and find ways to pay the amount due. Delaying property taxes is a first step that can help us maintain the business until that time.

Prior to the pandemic, I had 117 employees at The Kitano Hotel New York. I currently have 20 employees on staff. What I want more than anything is to get our employees back, get our guests back, and continue to contribute to the economy of the greatest city in the world. But until we can do that safely, I must do everything within my power to ensure that The Kitano Hotel New York is still in business when everyone is ready to travel again.

Efforts such as this bill will make it more likely that my hotel and others in my position will be able to survive the economic impact of the pandemic to reopen on the other side.

We know that the hotel industry will play a critical role in the economic comeback of the City as a whole, and in order to contribute to this effort, hotels must first get through this time. Delaying and/or lowering our property tax burden is the first step in helping us remain in operation in order to be in a position to reopen in the future.

Thank you for your support. Please if you have any questions and want to discuss these issues directly, please don't hesitate to reach out to me at 212-885-7002 or zzahran@kitano.com.

Sincerely,

Zack Zahran
Director of The Kitano Hotel New York

DREAM
NEW YORK | DOWNTOWN

June 12, 2020

Council Committee on Finance
City Hall Park
New York, NY 10007

Re: T2020-6277 – Deferral of property tax liability on real property with an assessed value exceeding two hundred fifty thousand dollars owned by certain property owners impacted by COVID-19

Dear Madam/Sir,

As the owner of the Dream Downtown New York hotel, located at 355 West 16th Street, New York, NY 10011, we are writing today to ask you for your assistance in deferring property tax for hotels with a lowered interest rate payment. The Dream Downtown has been temporarily out-of-business since March 20th due to the Coronavirus pandemic, resulting in a total loss of all revenue. As you can imagine, the financial pressure is enormous, and any relief we receive, especially via a deferral in property tax with lowered interest rate, will matter greatly in our quest to continue to conduct business and offer employment in the greatest city in the world.

Prior to the pandemic, we had 130 proud employees at Dream Downtown, but we currently have just 9 employees on staff, though we continue to pay health insurance premiums for all our furloughed employees. What we want more than anything is to get our employees back, get our guests back, and continue to contribute to the economy of New York City. Until we can do that safely, we must do everything within our power to ensure that the Dream Downtown New York is still in business when everyone is ready to travel again. Property tax deferral with a lowered rate of interest payment is a concrete, first step that can help us maintain the business until that time.

We have been so impressed and so proud of the City as it has faced the devastating impacts of the COVID-19 pandemic. We at the Dream Downtown honor and mourn all of our neighbors who have succumbed to this virus, and we applaud all those within our community who have done their part to find a path forward in the midst of our shared shock and grief. At times, it has seemed nearly impossible to go on, but as New Yorkers, that’s what we do: We move forward with courage.

Of course, we are well-aware that the economic impacts to the City are staggering. In fact, the financial devastation to the local hotel industry is expected to be nine times greater than that of

DREAM®
NEW YORK | DOWNTOWN

September 11. As businesses in the City prepare to move back to work in various phases, we know that the hotel industry will be the last to return. Large scale travel will likely not resume until a vaccine is in place or until people feel confident that they aren't risking their lives in the process. While there remains great uncertainty about the future of travel, we are doing the best we can to prepare for the future and to survive until travelers return to New York City.

We certainly understand that the City is facing its own financial crisis, but the decision not to defer property tax with a lowered rate of interest payment puts the entire hotel industry in New York, the Dream Downtown, and us in a truly untenable position. 2020 tax assessments are based on 2019 data, but it is clear that 2020 will be a significantly different year than 2019. We need that to be acknowledged, and we need help if we're going to make it.

This bill would give us additional time to pay our already disproportionately large property tax burden with a limited interest rate, which would provide us with some time to recover and find ways to pay the amount due. Efforts such as this bill will make it more likely that our hotel and others in our position will be able to survive the economic impact of the pandemic to reopen on the other side.

We know that the hotel industry in New York City will play a critical role in the economic comeback of both the City and the nation. But to be a part of the recovery, we must first survive. Delaying and/or lowering our property tax burden is the first step in helping us remain in operation in order to be in a position to reopen in the future.

Again, representatives from HANYC are already in touch, but if you have any questions and want to discuss these issues directly, please don't hesitate to reach out to us at 917.374.2131 or rsingh@dreamhotelgroup.com.

Sincerely,

Rabinder Pal Singh

Rabinder Pal Singh
Sahara Dreams LLC

June 12, 2020

Council Committee on Finance
City Hall Park
New York, NY 10007

Re: T2020-6277 – Deferral of property tax liability on real property with an assessed value exceeding two hundred fifty thousand dollars owned by certain property owners impacted by COVID-19

Dear Madam/Sir,

As the owner of the Dream Midtown New York located at 210 West 55th Street, New York, NY 10019, we are writing to request your help. As you know, we in the hotel industry have been hard-hit in the COVID-19 pandemic, and now we are facing another challenge that is, with your support, perhaps avoidable: the July 1st property tax deadline.

May we begin by saying that we at Dream Midtown recognize, honor, and mourn all of our neighbors who have succumbed to this virus, and we applaud all those within our community who have done their part to keep New York moving forward. We respect and admire the courage we see demonstrated every day, and we want to fully participate in the City's recovery.

For us in the hotel industry, that is a tall order. Experts indicate that the financial devastation to the local hotel industry is expected to be nine times greater than that of September 11. At our hotel, for example, we have had to reduce the staff from 81 to 5, though we continue to pay health insurance premiums for all our furloughed employees. As businesses in the City prepare to move back to work in various phases, we know that the hotel industry will be the last to return. Large scale travel will likely not resume until a vaccine is in place or until people feel confident that they aren't risking their lives in the process. While there remains great uncertainty about the future of travel, we are doing the best we can to prepare for the future and to survive until travelers return to New York City.

It would help us enormously if the property tax for hotels was deferred with a lowered interest rate for payment, but New York City has chosen to retain the July 1 deadline. While we understand that the City is also facing its own financial crises, this deadline has put the Dream Midtown New York, us, and the entire hotel industry in New York City in an untenable position. 2020 tax assessments are based on 2019 data, but it is clear that 2020 will be a significantly different year than that of 2019. In order to remain viable, we in the industry need help, and we need it now. Will you consider supporting a deferral in property taxes with a lowered rate of payment?

NEW YORK | MIDTOWN

This bill would give us additional time to pay our already disproportionately large property tax burden with a limited interest rate, which would provide us with some time to recover and find ways to pay the amount due. Efforts such as this bill will make it more likely that our hotel and others in our position will be able to survive the economic impact of the pandemic to reopen on the other side.

We know that the hotel industry in New York City will play a critical role in the economic comeback of both the City and the nation. But to be a part of the recovery, we must first survive. Delaying and/or lowering our property tax burden is the first step in helping us remain in operation in order to be in a position to reopen in the future.

Again, representatives from HANYC are already in touch, but if you have any questions and want to discuss these issues directly, please don't hesitate to reach out to us at 917.374.2131 or rsingh@dreamhotelgroup.com. Thank you for any help you can offer.

Sincerely,

Rabinder Pal Singh
Surrey Hotel Associates LLC

THE CHATWAL

NEW YORK

June 12, 2020

Council Committee on Finance
City Hall Park
New York, NY 10007

Re: T2020-6277 – Deferral of property tax liability on real property with an assessed value exceeding two hundred fifty thousand dollars owned by certain property owners impacted by COVID-19

Dear Madam/Sir,

We write to you today as the owner of the Chatwal New York located at 130 West 44th Street, New York, NY 10036. Having closed our doors on March 20th due to the COVID-19 pandemic, we find ourselves in a position where we must respectfully request your help in relation to the pending property tax deadline on July 1st. We are hoping that, with your support and assistance in the form of a deferral of property taxes with a lowered interest rate for payment, we can find a path forward during this difficult time and continue to do business in the greatest city in the world.

While the devastating impacts of the COVID-19 pandemic have been felt across the globe, New York City has been hit particularly hard. We recognize and honor all of our neighbors who have succumbed to this virus, and we applaud all those within our community who have done their part to keep us, and the City, stable. We, at Chatwal New York, have found a way to support the City through various initiatives.

In addition to the loss of life and the trauma this pandemic has caused, the economic impacts to the City have been staggering. In fact, the financial devastation to the local hotel industry is expected to be nine times greater than that of September 11. As businesses in the City prepare to move back to work in various phases, we know that the hotel industry will be the last to return. Large scale travel will likely not resume until a vaccine is in place or until people feel confident that they aren't risking their lives in the process. While there remains great uncertainty about the future of travel, we are doing the best we can to prepare for the future and to survive until travelers return to New York City.

One aspect of our business that we can prepare for is our taxes. New York City has chosen not to delay the looming July 1 property tax deadline. While we understand that the City is facing its own serious financial crises, this deadline has put us and the Chatwal New York, along with the entire hotel industry in New York City, in a truly untenable position. 2020 tax assessments are based on 2019 data, but it is clear that 2020 will be a significantly different year than 2019. For example, as we mentioned earlier, our hotel suspended all business on March 20th and has not yet reopened. At present, we don't know when it will.

Prior to the pandemic, we had 61 employees at Chatwal New York. We currently have 5 employees on staff, though we continue to pay health insurance premiums for all our furloughed employees. What we want more than anything is to get our employees back, get our guests back, and continue to contribute to the economy of the greatest city on the world. But until we can do that safely, we must do everything within our power to ensure that the Chatwal New York is still in business when everyone is ready to travel again. Property tax deferral with a lowered rate of interest payment is a concrete, first step that can help us maintain the business until that time.

This bill would give us additional time to pay our already disproportionately large property tax burden with a limited interest rate, which would provide us with some time to recover and find ways to pay the amount due. Efforts such as this bill will make it more likely that our hotel and others in our position will be able to survive the economic impact of the pandemic to reopen on the other side.

We know that the hotel industry in New York City will play a critical role in the economic comeback of both the City and the nation. But to be a part of the recovery, we must first survive. Delaying and/or lowering our property tax burden is the first step in helping us remain in operation in order to be in a position to reopen in the future.

Again, representatives from HANYC are already in touch, but if you have any questions and want to discuss these issues directly, please don't hesitate to reach out to us at 917.374.2131 or rsingh@dreamhotelgroup.com.

Sincerely,

Rabinder Pal Singh
Adams Hotels International LLC

June 12, 2020

Council Committee on Finance
City Hall Park
New York, NY 10007

Re: T2020-6277 – Deferral of property tax liability on real property with an assessed value exceeding two hundred fifty thousand dollars owned by certain property owners impacted by COVID-19

Dear Madam/Sir,

We write to you today as the owner of the Days Broadway New York located at 215 West 94th Street, New York, NY 10025. As we are sure you know, we in the hotel and hospitality industry are experiencing extreme financial hardship ever since we closed our doors on March 20th in response to the Coronavirus pandemic. Now we are facing a July 1st property tax deadline. This prompts us to reach out to you today in the hope that you will support an effort to defer property taxes with a lowered interest rate of payment, thereby helping us find a way to continue to do business and offer employment in the greatest city in the world.

As you know, the economic impact to the City have been staggering. In fact, the financial devastation to the local hotel industry is expected to be nine times greater than that of September 11. For example, at Days Broadway, we have had to reduce our staff from 46 employees to 14, though we continue to pay health insurance premiums for all our furloughed employees. What we want more than anything is to get our employees back, get our guests back, and continue to contribute to the economy of New York City. But until we can do that safely, we must do everything in our power to ensure that the Days Broadway New York is still in business when everyone is ready to travel again. Property tax deferral with a lowered rate of interest payment is a concrete, first step that can help us maintain the business until that time.

Deferring property taxes at a lower rate of interest payment is a crucial step toward maintaining the business during this difficult time. However, New York City has chosen not to delay the looming July 1 deadline. While we understand that the City is also facing its own financial crises, this deadline puts the Days Broadway, us, and the entire hotel industry in New York City under enormous financial strain. 2020 tax assessments are based on 2019 data, but it is clear that 2020 will be a significantly different year than 2019.

This bill would give us additional time to pay our already disproportionately large property tax burden with a limited interest rate, which would provide us with some time to recover and find ways to pay the amount due. Efforts such as this bill will make it more likely that our hotel and others in our position will be able to survive the economic impact of the pandemic to reopen on the other side.

The hotel industry will play a critical role in the economic comeback of both the City and the nation. But to be a part of the recovery, we must first survive. Delaying and/or lowering our property tax burden is the first step in helping us remain in operation in order to be in a position to reopen in the future.

If you have any questions and want to discuss these issues directly, please don't hesitate to reach out to us at 917.374.2131 or rsingh@dreamhotelgroup.com. Thank you in advance for any help you can provide.

Sincerely,

Rabinder Pal Singh
Beverley Hotel Associates LLC

THE
TIME
NEW YORK

June 12, 2020

Council Committee on Finance
City Hall Park
New York, NY 10007

Re: T2020-6277 – Deferral of property tax liability on real property with an assessed value exceeding two hundred fifty thousand dollars owned by certain property owners impacted by COVID-19

Dear Madam/Sir,

We write to you today as the owner of the Time New York hotel, located at 224 West 49th Street, New York, NY 10019. We closed our doors due to the Coronavirus pandemic on March 20th, resulting in a complete loss of all revenue. As you can assume, the financial hardship is extreme, but what prompts our letter today is the hope that you can bring some much-needed relief to Time New York, as well as every other hotel in the City, by supporting the property tax relief for hotels in the form of a deferral with a lowered interest rate for payment. We at Time want to continue to do business in the greatest city in the world, but in order to do so, we truly need your help.

While we understand that the City is facing its own serious financial crises, we think it's important to consider that 2020 tax assessments are based on 2019 data. It is clear that 2020 will be a significantly different year than 2019, and adjustments, such as a deferral with a lowered interest rate for payment, are necessary if we are to survive as an industry. Prior to the pandemic, we had 70 employees at the Time New York. We currently have 7 employees left on staff, though we continue to pay health insurance premiums for all our furloughed employees. What we want more than anything is to get our employees back, get our guests back, and continue to contribute to the economy of New York City. But until we can do that safely, we must do everything within our power to ensure that the Time New York is still in business when everyone is ready to travel again. Property tax deferral with a lowered rate of interest payment is a concrete, first step that can help us maintain the business until that time.

Industry professionals estimate that the financial devastation to the local hotel industry is expected to be nine times greater than that of September 11. As businesses in the City prepare to move back to work in various phases, we know that the hotel industry will be the last to return. Large scale travel will likely not resume until a vaccine is in place or until people feel confident that they aren't risking their lives in the process. While there remains great uncertainty about the future of travel, we are doing the best we can to prepare for the future and to survive until travelers return to New York City. We want to do our part, but the City's

THE TIME

NEW YORK

decision not to defer property tax with a lowered rate of interest payment puts us in a truly untenable position.

This bill would give us additional time to pay our already disproportionately large property tax burden with a limited interest rate, which would provide us with some time to recover and find ways to pay the amount due. Efforts such as this bill will make it more likely that our hotel and others in our position will be able to survive the economic impact of the pandemic to reopen on the other side.

We at Time New York recognize, honor, and mourn all of our neighbors who have succumbed to this virus. We appreciate and applaud all those within our community who have done their part to find a path forward. We want to be part of the recovery and the return to normalcy that the City so desperately needs. We know that the hotel industry in New York City will play a critical role in the economic comeback of both the City and the nation. But to be a part of the recovery, we must first survive. Delaying and/or lowering our property tax burden is the first step in helping us remain in operation in order to be in a position to reopen in the future.

If you have any questions and want to discuss these issues directly, please don't hesitate to reach out to us at 917.374.2131 or rsingh@dreamhotelgroup.com. Thank you in advance for any attention you can give to this very serious matter.

Sincerely,

Rabinder Pal Singh
Consulate Hotel Associates LLC

美國紐約中華公所

CHINESE COMMUNITY CENTER, INC.
CHINESE CONSOLIDATED BENEVOLENT ASSOCIATION
62 MOTT STREET, NEW YORK, NY 10013

TEL: (212) 226-6280
FAX: (212) 431-5883
E-Mail: ccbany@yahoo.com
Website: http://www.ccbanyc.org

Established
Since 1883

June 12, 2020

The Honorable Corey Johnson
Council Speaker of New York City Council
City Hall
New York, NY 10007

Dear Speaker Johnson:

On behalf of the Chinese-American community in New York City, I write to support the bill submitted by Council Members Margaret Chin and Adrienne Adams on the deferral of property tax (file #T2020-6277).

It is now the fourth month of the shelter in place regulations and many stores and businesses have been closed seen then. It is extremely difficult for the landlords and businesses to afford the property tax at this time during the pandemic.

Although we are still hoping the City can completely eliminate the property tax during the pandemic, we are in support for the deferral of property tax bill that would provide a relief to property owners. Many landlords in the Chinatown area have not received their rents from their tenants for as many as (3) months and it is extremely challenging for us to afford the property tax bill. This will help millions of people in the City to stop worrying their financial concerns and risk their lives to work to pay for the City's bills.

Thank you.

Sincerely,

Justin Yu
President

June 12, 2020

To the Council Committee on Finance:

75 Wall Hotel, LLC is the proud owner of the Andaz Wall Street located at 75 Wall Street, New York, NY and are writing to request your help in finding a path forward on a pending tax matter so that the hotel can continue to be a business in the greatest city in the world.

While the devastating impacts of the COVID-19 pandemic have been felt across the globe, New York City has been hit particularly hard. We recognize and honor all our neighbors who have succumbed to this virus and we applaud all those within our community who have done their part to find a path forward.

In addition to the loss of life and the trauma this pandemic has caused, the economic impacts to the City have been staggering. In fact, the financial devastation to the local hotel industry is expected to be nine times grater than that of September 11. As businesses in the City prepare to move back to work in various phases, we know that the hotel industry will be the last to return. Large scale travel will likely not resume until a vaccine is in place or until people feel confident that they aren't risking their lives in the process. While there remains great uncertainty about the future of travel, we are doing the best we can to prepare for the future and to survive until travelers return to New York City. One certainty that we can prepare for is taxes.

New York City has chosen not to delay the looming July 1 property tax deadline. While I understand that the City is also facing its own financial crises, this deadline has put Andaz Wall Street, along with the entire hotel industry in New York City, in an untenable position. 2020 tax assessments are based on 2019 data, but 2020 will be a significantly different year than that of 2019. The hotel was closed in late March 2020 and has not yet reopened due to the financial hardship.

Prior to the pandemic, the hotel had around 100 employees and currently employs less than 10 staff members. We want more than anything to get our employees and our guests back, and continue to contribute to the economy of the greatest city on the world. But until we can do that safely, we must do everything within my power to ensure that Andaz Wall Street is still in business when everyone is ready to travel again. Delaying property taxes is a first step that can help me maintain the business until that time.

While we understand that this is seemingly a local issue, we believe that there are a variety of ways Congress and the Administration can impact this process. Representatives from the Hotel Association of New York City have already been or will be in touch with your office to discuss various options with staff, and we encourage you to engage directly on this issue. We know that the hotel industry in New York City will play a critical role in the economic comeback of both the City and the nation. But to be a part of the recovery, we must first survive.

Sincerely,

75 Wall Street Hotel, LLC

348 W 36th St
New York, NY 10018
June 13, 2020

NYC City Council
250 Broadway
New York, NY 10007
Attn: Committee on Finance

Re: Testimony by the Board of Directors of 348 Owners Corp located at 348 West 36th Street, NY, NY 10018, block/Lot: 1/759/68

The COVID-19 shutdown has impacted our building, a 17-unit residential co-op, comprised mostly of studio, 1- and 2-bedroom units, with retail space at ground level in the Garment District at 348 W 36th Street, between 8th and 9th Avenue.

Not only has our neighborhood seen damage from looting over the past couple of weeks, but it has also seen shuttered small family businesses / stores and increased levels of unemployment of our residents. Our commercial tenant (an event planner that represents approximately 30% of our building's operating budget), has not been able to operate. Without this rental income, our small building cannot survive, let alone pay increasing real estate taxes.

As of late last week, without any warning to the Midtown Business Improvement District, Midtown Precinct South (located at 357 West 35th Street) or local residents and stores, the City administration entered into multiple contracts to convert the hotels in our immediate vicinity to temporary homeless shelters. Although a noble gesture, our street has a disproportionate number of hotels vs residential buildings (our building has only 17 residential units, the 4 other residential buildings on our street all have fewer than 25 residential units each). This is in sharp contrast to the large, mostly new hotels on our block that our now housing multiple hundreds of homeless men. This recent influx of homeless is in addition to the Barbour Hotel located at 330 West 36th Street: a transitional housing facility serving people with HIV/AIDS, providing harm reduction, counseling, and programs for substance abusers and the mentally ill.

Our neighborhood has experienced a very positive transformation over the last 20 years, and our taxes have increased as well -- some would argue disproportionately. The property taxes for our relatively small building have increased more than 400%: from less than $50,000 per year to in excess of $200,000 per year today. This is in sharp contrast to high-end Park Avenue and other pre-war residential buildings throughout the City which we understand were grandfathered in with favorable tax benefits that limit property tax increases.

Part of this transformation was a decrease in neighborhood crime. However, in recent weeks, there has been increased crime in broad daylight. Our block is experiencing a sudden and alarming shift, and while we are happy to do our part to help the plight of the City, the way this was handled without notification and without regard to density issues is unacceptable. Our building's property taxes are too high in light of these recent facts. We desperately need our property taxes lowered, or our building will not be able to survive.

We appreciate your attention to this matter.

Sincerely,

Board of Directors
348 Owners Corp