

## **NEW YORK'S TOP BUSINESS LEADERS UNVEIL ECONOMIC RELIEF AND RECOVERY PLAN**

*As Economy Spirals, Restaurant, Retail, Civic, Real Estate and Tech Leaders Submit  
'Blueprint to Save Small Business'*

**NEW YORK, NY, April 13, 2020** – Prominent New York City industry leaders in restaurants, nightlife, retail, real estate, economic development and tech have joined forces to advocate for urgently-needed relief to save the city's small business community.

Reflecting the magnitude of this crisis, the body of the group comprises the Bronx Chamber of Commerce, Brooklyn Chamber of Commerce, Greenwich Village Chelsea Chamber of Commerce, Manhattan Chamber of Commerce, NYC BID Association, New York City Hospitality Alliance, NYS Latino Restaurant, Bar & Lounge Association, New York State Restaurant Association, Queens Chamber of Commerce, Staten Island Chamber of Commerce, Tech:NYC and The Real Estate Board of New York (REBNY).

With hundreds of thousands of New Yorkers out of work amid the COVID-19 pandemic, the group outlined four key policies to resuscitate ailing small businesses and revamp the economy.

The policies entail direct financial assistance for rent and mortgages for the duration of the shutdown, extending business interruption insurance to cover the COVID-19 pandemic and converting sales tax collection into cash grants for small businesses.

The Blueprint to Save Small Business is being presented in a letter (attached) to Governor Cuomo, Mayor de Blasio and other elected leaders in New York. It includes:

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

- **RENT AND MORTGAGES:** Due to the ongoing COVID-19 emergency, businesses and property owners face significant challenges. The majority of businesses in New York City have been mandated by the government to close (or limit their operations) and many therefore cannot pay their rent. Property owners have financial obligations including property taxes, mortgages, maintenance, and capital improvements – much of which is paid for by the rent from businesses. While we recommend that commercial tenants and property owners make arrangements per their circumstances to help both parties weather this crisis, we recognize that realistic terms may not always be available. Therefore, we recommend a government backstop be provided during this emergency. These government programs could include direct federal financial assistance, rent and mortgage forbearance, and/or a property tax deduction for landlords who provide rent concessions to their tenants.