

THE COUNCIL OF THE CITY OF NEW YORK

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***CHIN PASSES COVID RELIEF BILL FOR SMALL
PROPERTY OWNERS OF DEEPLY AFFORDABLE
HOUSING IN LES/CHINATOWN***

NEW YORK – In a vote of 45 to 2, the New York City Council passed legislation led by Council Member Chin to allow small property owners in the Lower East Side and Chinatown, who have been adversely affected by COVID-19, to defer their July 1 property taxes to October 15 at a reduced interest rate from 18% to 7.5%.

New York has some of the highest property taxes in the nation, disproportionately hitting small properties in gentrifying neighborhoods. Mom-and-pop legacy property owners and Chinatown Family Associations who are not interested in selling their properties to speculators have been calling for City intervention well in advance of the July 1 property tax deadline. Despite experiencing dramatic income loss, some property owners have proactively offered relief and flexibility, without any City incentive, to help their commercial tenants continue operations.

In April, Council Member Chin sent a letter to Mayor de Blasio to support a list of measures providing emergency relief for struggling small property owners of deeply affordable housing in Lower Manhattan, which includes a call to defer property taxes. In the absence of a response, Council Member Chin stepped in to pass Intro 1964-A, a property tax deferral bill to give this unique group of small property owners desperately-needed breathing room.

"In order to have an honest conversation about neighborhood preservation, we need to explore every tool in our arsenal to protect the most deeply affordable housing stock we have left. These small property owners operate centuries-old tenement buildings that house longtime low-income residents who pay rent as low as \$50. Yet they continue to suffer the consequences of a broken property tax assessment system. Now with commercial tenants having to close their doors practically overnight, we can't allow the City to continue to ignore the needs of these property owners any longer or — worse — profit off of their vulnerability. This bill is a first step to pushing the City to being a stronger partner to this neglected constituency and get them on the road to recovery. I am committed to fighting for more opportunities for more and even deeper relief," said **Council Member Chin**.

Intro 1964-A will reduce the interest rate from 18% to 7.5% on nonpayment of July 1 property taxes for certain smaller property owners impacted by COVID-19. This applies to properties with an assessed value between \$250,000 and \$750,000, and have experienced a 50% income decline between March 7 and June 30 compared to last year. It will also apply to properties with an assessed value over \$250,000 and contains no more than 30 residential units of which at least 50% are rent regulated, and have experienced a 25% income decline in the aforementioned period. The local law will take effect immediately.

"Small property owners have been uniquely impacted by the current public health emergency and have been asked to continue their operations to date without access to relief or aide as well as drastically diminished rent payments from both commercial and residential tenants." said **Tim Laughlin, President of the Lower East Side Partnership**. "While more must be done to stabilize these small owners and prevent private equity firms and large investors from taking over, we applaud Speaker Johnson, Council Member Chin and the City Council for their leadership in taking this important step to maintain the character of our communities."

"Thank you to Council Member Margaret Chin for your effort to reduce the fine for late property tax. This bill provides practical assistance to small property owners and building owned by Chinatown family association, which is the first time City government made concession on property tax issue. I hope that Council Member would be able to work with the administration to adjust property tax assessment method and reduce the property tax hike," said **Justin Yu, President of the Chinese Consolidated Benevolent Association**.

"This legislation is the result of intense discussion with Councilmember Chin and small Chinatown property owners. We are encouraged that small property owners, many of whom are Black and POC are being recognized for the vital role in providing safe, truly affordable, housing. This will help countless owners meet their obligations and continue to maintain their properties," said **Jan Lee, a 3rd generation property owner in Chinatown**.

"As a second generation small property owner in Chinatown, whose immigrant parents sacrificed everything to start this business, and as someone who strives to continue humbly serving the same community that my parents served and that I grew up in, the legislation passed today acknowledges the very common but never spoken about struggles and hardships faced by so many small property owners across NYC. We are hopeful that this legislation is just the first step in some much needed relief for NYC small property owners, otherwise the culture and community of neighborhoods like Chinatown that small property owners have helped build will be lost," said **Joanna Wong, a 2nd generation property owner in Chinatown**.

"We are delighted that Council Member Chin is choosing to do the right thing by lending a helping hand to all the desperately struggling mom-and-pops and small owners in NY with the first of, and hopefully, many yet-to-come reliefs in these unprecedented challenging times," said **Wellington Chen, President of the Chinatown Partnership**.

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