



## THE NEW YORK CITY HOSPITALITY ALLIANCE'S UPDATED 9-POINT MITIGATION AND SUPPORT PLAN FOR NYC RESTAURANTS AND NIGHTLIFE ESTABLISHMENTS IN RESPONSE TO COVID-19

In response to COVID-19, New York State mandated that effective Monday, March 16th at 8:00PM restaurants and bars must close. These businesses will be permitted to provide take-out and delivery food only. Clubs and bars with no food will be required to fully close.

Businesses have begun to shutter and lay off workers. Restaurants and bars that operate delivery and take-out only are reducing worker hours and many cannot sustain their operations for an extended period of time.

While we commend our leaders in state and local government for their attention and around-the-clock efforts to keep our city stable, immediate action is necessary to sustain our businesses and their employees during this state of emergency.

In this spirit we present an updated 9-Point Mitigation and Support Plan for NYC Restaurants and Nightlife Establishments in response to COVID-19.

1. **Delivery Fees:** Under the emergency powers of the Governor and the Mayor, they must mandate that fees charged by third-party delivery platforms to our local restaurants be capped at a maximum 10% of the order. The excessive third-party delivery fees by companies like Grubhub/Seamless, which usually range from 15% - 30%+ of a total order, amount to a windfall during this emergency when restaurants can only offer takeout and delivery. Many restaurants lose money on their deliveries during normal market conditions. We must preserve some profit for restaurants so they can serve New Yorkers who need food during this crisis, and allow some employees to earn a paycheck.
2. **Rent and Tenant Protections:** Suspend all rent payments and evictions for ground floor commercial tenants like restaurants and bars. We believe most landlords will do the right thing in crisis, but it is human nature for some people to exploit emergencies. Landlords with mortgages, banks and the federal government will need to determine how to restructure mortgages and payments to allow small businesses to potentially survive post-pandemic. Restaurants forced to close simply cannot pay their rent while they are closed by a government mandate.
3. **Paid Safe and Sick Leave Law:** While this law is a commendable idea when businesses are open and operating, these 100% employer funded mandates have become increasingly hard to afford and administer. Now that restaurants and bars have been forced to cease their in-house operations due to COVID-19, it is impossible for many businesses to afford paying out this benefit. This government mandated shutdown demands that they help fund such employee paid leave programs, including those in-effect and those being considered.
4. **Wage and Business Interruption Cash Infusions:** Restaurants and nightlife establishments operate on razor-thin margins and do not have cash reserves. They also employ many people from all walks of life, many of whom are hourly workers without savings. A temporary, emergency universal basic income system should be considered. Many of these neighborhood establishments will need immediate cash infusions and subsidies if they hope to re-open when this emergency is over.

5. **Fine, Tax and Penalty Forgiveness:** Suspend the payment of all insurance premiums, fines and provide cure periods to businesses for violations that do not pose an immediate hazard to the public and workers. All taxes, fees, premiums and fines must be suspended indefinitely until a thorough and thoughtful strategy can be implemented to address these payments. Suspend the Commercial Rent Tax and property tax passthroughs on ground floor tenants like eating and drinking establishments.
6. **Sidewalk Cafés:** The City of New York should waive the March 30th sidewalk café consent fees and eliminate its interest rate imposed on fees when restaurants opt to pay in multiple installments. Additionally, the City should allow all applicants for sidewalk cafes whose applications have received a positive recommendation from the local Community Board, to operate immediately on an application pending status and not have to wait months to operate.
7. **Fair Work Week Law:** New York City's Fair Work Week Law requires certain restaurant employers to provide employee schedules two-weeks in advance and levies significant penalties for shift cancellations and modifications of hours within that time frame. Now that restaurants are forced to close or limited to take-out and delivery only, requiring a significant reduction in the need for employees, these requirements must be suspended.
8. **Liquor License Applications:** Under the State of Emergency declared by the Governor, give the State Liquor Authority (SLA) the authority to permit businesses to open with a Temporary License in New York City while its application is going through the lengthy backlog at the SLA, like they do for applicants elsewhere in the state. This issue is acute now that State employees are being sent home. Once this crisis is over, we need new businesses to open fast. They cannot be then waiting for a license to be issued.
9. **License Renewals:** All licenses and permits such as liquor licenses, sidewalk café licenses, Health Department permits, etc, must renew automatically without the payment of licensing fees until a strategy can be implemented to responsibly reopen such operations. They cannot afford thousands of dollars in licensing fees if they are closed.