



August 31, 2020

Mayor Bill de Blasio
City Hall
New York, NY 10007

Dear Mayor de Blasio:

On behalf of New York City's homeowners and property owners, we write regarding New York City's 2020 Tax Lien Sale, which is currently scheduled for September 4, 2020.

The effects of COVID-19 have greatly exceeded the boundaries of health. For New York City's communities of color, the past several months have been met with extreme financial uncertainty, economic instability and housing insecurity. The decision taken by you and New York City Department of Finance Commissioner, Jacques Jiha, in May to delay the original date of this year's Tax Lien Sale was warranted. This important action alleviated the stress and financial hardship for thousands of homeowners and property owners across the city.

Unfortunately, we remain in unprecedented times. Our city's homeowners and property owners continue to suffer the economic effects related to the COVID-19 outbreak and our communities of color have been the hardest hit. Therefore, we request that you again delay the City's 2020 Tax Lien Sale until a date that is at least one year from the date that Governor Cuomo declares the pandemic emergency over.

As elected officials we must all work together to protect homeowners that are facing economic uncertainty brought about by this crisis. Currently, there are almost 10,000 properties at-risk of having their liens sold across the five boroughs.¹ Unfortunately, many of the properties represented on this list are located in the low-or moderate- income communities that we represent and, which, have long been subject to predatory lending and higher rates of foreclosure.² The City of New York should not encourage speculators and investors to capitalize on the individuals and families living in these neighborhoods who are already experiencing financial instability due to COVID-19. Our friends and neighbors living in these communities have been, and will continue to be, vital to the long-term recovery of our city.

¹ New York City Department of Finance. *2020 Tax Lien Sale*. (8/26/20).
<https://www1.nyc.gov/site/finance/taxes/property-lien-sales.page>.

² Coalition for Affordable Homes. *Compounding Debt: Race, Affordability, and NYC's Tax Lien Sale*. November 21, 2016. (Pg. 2). <https://s28299.pcdn.co/wp-content/uploads/2014/02/CAH-tax-lien-sale-report-final.pdf>.

While we recognize that the Department of Finance has an obligation to collect revenue owed to the City, now is not the time to collect tax debts by economically vulnerable homeowners. In addition to contributing to the downward spiral of a family, the sale of homeowners' tax debts to outside investors will likely have wider negative impact on the characteristics and demographics of a neighborhood.

A recent study by the Coalition for Affordable Homes found that the tax lien sales process “contributes to the displacement of longtime homeowners and their renters in communities that are already facing extensive market pressure and speculation.”³ The study’s analysis found that of the liens sold in Brooklyn in 2011, “nearly half of the one-to-three family homes on the lien sale list (42 percent) were sold within five years of the lien sale, compared to 13 percent of all such properties in the borough during the period.”⁴ As you are likely aware, neighborhoods like those in North and East Brooklyn have experienced an increased wave of gentrification and speculative activity and we are concerned that the sale of this year’s tax liens by the City will only exacerbate this activity.

We firmly believe that the compounding negative effects of a lien sale during this ongoing pandemic will extend far beyond any reopening phase. Government should not be facilitating displacement of homeowners from our City’s neighborhoods, which is why we are respectfully requesting a delay of this year’s tax lien sale. It would be detrimental to sell off almost 10,000 tax liens, many of which located are in communities of color that are already struggling to overcome the COVID-19 pandemic, managing employment losses, and experiencing limited access to counseling services.

Thank you for your attention to this important matter. If you should have any questions, please feel free to contact our District Directors via email: Evelyn Cruz at Evelyn.Cruz@mail.house.gov and Maron Alemu at Maron.Alemu@mail.house.gov.

Sincerely,



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Member of Congress



Hakeem Jefferies
Member of Congress



Grace Meng
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³ Coalition for Affordable Homes. *Compounding Debt: Race, Affordability, and NYC’s Tax Lien Sale*. November 21, 2016. (Pg. 3). <https://s28299.pcdn.co/wp-content/uploads/2014/02/CAH-tax-lien-sale-report-final.pdf>.

⁴ *Id.*

