



**INSPIRED LEADERS
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INTERNATIONAL DOWNTOWN ASSOCIATION
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The Honorable Steven Mnuchin
Secretary of the Treasury
Department of the Treasury
1500 Pennsylvania Avenue NW
Washington, DC 20220

April 2, 2020

RE: Local Downtown Management Not-for-Profits Need Federal Emergency Relief to Survive Coronavirus Impact

Dear Secretary Mnuchin:

On behalf of the International Downtown Association (IDA) Board of Directors and more than 2500 not for profit downtown management organizations, I urge you to include additional, direct emergency support in the next coronavirus aid package for Internal Revenue Code Section (Section) 501(c)(6) and 501(c)(4) organizations. Our local business membership organizations are currently on the ground in most cities in the nation, supporting neighborhood services and economic development efforts to overcome the impacts of COVID-19. To help mitigate the coronavirus pandemic's harmful impact on our sector, we support the American Society of Association Executives (ASAE) request for \$25 billion in aid for business associations facing financial losses due to the revenue shortfalls directly related to the pandemic.

We ask specifically that all 501(c) organizations be made eligible to access small business interruption loans to prevent layoffs and continue to pay our employees; and a pandemic risk insurance program to create a federal backstop for prospective insurance claims related to a pandemic or epidemic.

The downtown management organization industry, with more than 2,500 neighborhood revitalization groups employing over 100,000 total employees and a collective payroll exceeding \$3 billion in wages, needs the same financial support provide to 501(c)3 nonprofits. We serve and support commercial properties and local small businesses in our downtown districts and on our main streets who in turn drive, on average, 13% of sales tax revenue, 17% of property tax revenue, and 38% of hotel tax revenue for each municipality. When these businesses return to operations, they rely on our member organizations to be fully functional as do the local governments.

We are extremely grateful the Administration and Congress took swift action to help small businesses and millions of Americans withstand the coronavirus pandemic, which jeopardizes our collective livelihood, welfare and safety. Provisions within the Coronavirus Aid, Relief and Economic Security (CARES) Act will prove vital to help stabilize our economy and keep Americans safe. Our members have already started to equip local businesses and employers with the information and tools that will hopefully ensure their survival.

The CARES Act does not, however, provide critically needed emergency funds for organizations like our member organizations who, in addition to supporting local businesses, are providing added security, safety and assistance to people living on our streets. One example was recently highlighted just

yesterday on [WTTG \(FOX 5\) / Good Day DC](#) heralding the Unsung Heroes of COVID-19: Golden Triangle BID Ambassadors keeping the neighborhood safe, healthy and clean.

Section 501(c)(6) and (c)(4) organizations may be able to access certain aid through an employee retention tax credit (Section 2301), and the Small Business Administration is accepting applications from 501(c)(6) organizations for expanded Economic Injury Disaster Loans (EIDL; Section 1110). However, it will be challenging for our members to qualify for aid – particularly through Section 2301 and secure the funds they need to avoid bankruptcy. Moreover, statutory language for EIDLs is unclear in exactly how it treats 501(c)(6) and 501(c)(4) organizations.

Local 501(c)(6) and 501(c)(4) downtown management organizations vary in size and function, but all play an important role across the country to support local businesses and commercial properties, train America's workforce, clean and manage our commercial centers, and disseminate essential information and resources to people in need – particularly during times of crisis. We are now being relied upon to help coordinate local, state and federal resources to combat the coronavirus pandemic, and we require staff to fulfill this duty.

Thank you for your consideration and continued support of our country during this challenging time. If you have questions regarding any aspect of this urgent request for critically needed support please contact David T. Downey, President & CEO, International Downtown Association at david@downtown.org or 202-438-8714.

Sincerely,



Tami Door, Board Chair
International Downtown Association
and Chief Executive Officer
Downtown Denver Partnership



David Downey, President & CEO
International Downtown Association

CC:

The Honorable Nancy Pelosi, Speaker United States House of Representatives
1236 Longworth House Office Building Washington, D.C. 20515

The Honorable Mitch McConnell, Majority Leader United States Senate
317 Russell Senate Office Building Washington, D.C. 20510

The Honorable Kevin McCarthy, Minority Leader United States House of Representatives
2468 Rayburn House Office Building Washington, D.C. 20515

The Honorable Charles Schumer, Minority Leader United States Senate
322 Hart Senate Office Building Washington, D.C. 20510

The Honorable Richard Neal, Chairman Committee on Ways & Means
United States House of Representatives
1102 Longworth House Office Building, Washington, D.C. 20515

The Honorable John Thune, Majority Whip United States Senate

511 Dirksen Senate Office Building, Washington, D.C. 20510

The Honorable Kevin Brady, Ranking Member Committee on Ways & Means
United States House of Representatives
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The Honorable Charles Grassley, Chairman Committee on Finance
United States Senate
219 Dirksen Senate Office Building, Washington, D.C. 20515

The Honorable Ron Wyden, Ranking Member
United States Senate Committee on Finance
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The Honorable Richard Shelby, Chairman Committee on Appropriations
United States Senate
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The Honorable Patrick Leahy, Vice Chairman Committee on Appropriations
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The Honorable Nita Lowey, Chairwoman Committee on Appropriations
United States House of Representatives
H-307 The Capitol, Washington, D.C. 20515

The Honorable Kay Granger, Ranking Member Committee on Appropriations
United States House of Representatives
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The Honorable Lamar Alexander, Chairman Health, Education, Labor and Pensions Committee
United States Senate
428 Dirksen Senate Office Building, Washington, D.C. 20510

The Honorable Senator Mike Crapo, Chairman Committee on Banking, Housing and Urban Affairs
United States Senate
534 Dirksen Senate Office Building, Washington, D.C. 20510

The Honorable Sherrod Brown, Ranking Member Committee on Banking, Housing and Urban Affairs
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The Honorable Senator Marco Rubio, Chairman Committee on Small Business & Entrepreneurship
United States Senate
428A Russell Senate Office Building, Washington D.C., 20510

The Honorable Ben Cardin, Ranking Member Committee on Small Business & Entrepreneurship United
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The Honorable Senator Susan Collins, Chairman Special Committee on Aging
United State Senate
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The Honorable Nydia Velázquez, Chairwoman Committee on Small Business

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The Honorable Steve Chabot, Ranking Member Committee on Small Business
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The Honorable Senator Roger Wicker, Chairman Committee on Commerce, Science and Transportation
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