



**Tom McGee**  
President & CEO

March 27, 2020

The Honorable Larry Hogan  
Chairman, National Governors Association  
444 N. Capitol Street, NW  
Washington, DC 20001

The Honorable Bryan Barnett  
President, U.S. Conference of Mayors  
1620 I Street, NW  
Washington, DC 20006

Dear Governor Hogan and Mayor Barnett:

On behalf of our member network of nearly 70,000, the International Council of Shopping Centers (ICSC) applauds your leadership during this historic and difficult time for families, businesses and communities. Governors and mayors across the country have appropriately placed the health and safety of our fellow citizens as the top priority, while also taking decisive action in beginning to address the financial and economic challenges resulting from the COVID-19 pandemic.

However, an existential threat remains, which if left unaddressed, will cause long-term damage to financial markets, rampant unemployment and irreparable harm to communities across our country. The necessary public health and safety actions being taken by federal, state and local officials have resulted in retailers, restaurants, theaters, gyms and other service providers closing. These mandated closures have created a growing and significant threat to the continuity of cash flow between tenant, property owner and commercial lender. An increasing number of national retailers and tenants have publicly expressed their intent to skip monthly lease payments during this crisis. The non-payment of rent will jeopardize the repayment of up to \$1 trillion of secured and unsecured debt held by property owners that underlays the shopping center industry. The subsequent foreclosures would result in empty storefronts and vacant shopping centers across our country, leaving an indelible stain on communities.

The long-term strength of the shopping center industry is critical to the economic, civic and social viability of communities across the nation. The majority of the estimated \$6.7 trillion of consumer activity generated by the retail, food & beverage, entertainment and consumer service industries occurs within America's shopping centers, with nearly 1 out of 4 American jobs retail related. Approximately \$400 billion of state and local taxes that support local communities, public safety resources and infrastructure is generated by the industry. This entire industry is at risk if action to support it is not taken.

Specifically, we are asking you to require all regulated banks to offer a 90-day forbearance on all commercial loan obligations underlying the shopping center industry. If public safety requirements mandate it, the forbearance period can be extended and at the end of this period, property owners and banks can negotiate appropriate repayment options. We also request that you consider commercial property tax relief for brick-and-mortar retail during this same time period.

ICSC respectfully requests that you and your members urgently consider our proposal. We stand ready to discuss and support you in its implementation.

Sincerely,

A handwritten signature in black ink that reads "Tom McGee". The signature is fluid and cursive, with the first name "Tom" written in a larger, more prominent script than the last name "McGee".

Tom McGee  
ICSC President & CEO