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Subject Package of local emergency

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When responding, please state date, reference and

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Dear Sir or Madam,

Many businesses, entrepreneurs and cultural institutions in Utrecht are taking a direct hit as a consequence of the Corona crisis. In the last few days, we have spoken with many entrepreneurs and cultural institutions in Utrecht who shared their concerns with us and who told us that they are losing considerable revenue at this moment. Please know that we empathise with you, that we are committing all capacities to this Corona crisis and that we are offering solutions wherever possible in order to limit the consequences for you as much as possible. This letter indicates how we as a municipality are providing support and which measures we are taking at this moment for entrepreneurs and organisations in the city.

National regulations

On Thursday, 17 March 2020, the cabinet announced a large-scale package of measures with which the cabinet – as they themselves described it –"(...) will protect our jobs and incomes in addition to our health, and accommodate the consequences for the self-employed, SME entrepreneurs and large companies." These measures include the temporary emergency fund measure for bridging employment (Dutch: Noodfonds Overbrugging Werkgelegenheid - NOW), the scheme for compensating wage costs, extra support for self-employed entrepreneurs, the easing of lending conditions, and deferred payment of the provisional assessment of taxes and fines. These are serious measures, costing many billions of euros, that will become available in the coming months. But many of you are confronted by the consequences right now. That is why the municipality is offering a supplemental, Utrecht package of support measures. You can read more about this below.

Leniency, rent and suspension of taxes

These supporting measures from Utrecht are supplemental and anticipate federal governmental measures aimed at the retention of jobs and incomes and they offer rapid assistance to support the liquidity positions of entrepreneurs and organisations:

Rent: various advocates are calling on landlords to be lenient about the payment of rent. The municipality of Utrecht is the landlord for various organisations and wishes to set a good example in this regard. We are elaborating possibilities to accommodate these tenants by offering deferred payment.

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We are making an urgent appeal to other real estate owners to follow this example and to be lenient in the collection of rents from entrepreneurs suffering from the crisis.

<u>Taxes</u>: the BghU collects municipal taxes. For businesses and self-employed entrepreneurs, the BghU will continue to levy taxes but will be lenient wherever possible, and will suspend collection measures (such as dunning notices, reminders, warrants). This concerns the user fee for real estate tax, tourist tax, precario tax and water board tax. For taxpayers with payment problems resulting from the Corona crisis, longer-duration instalments and deferred payment are also possible. In addition, one can deviate from the payment instalments stated on the assessment.

Easing of taxes and precario reimbursements

- Since real estate tax assessments are already in the implementation process for all residents and entrepreneurs, everyone will simply receive them. The majority of the water board charges have also already been sent. But as stated above, collections will not proceed for the time being in the event of late payment, and payment schemes are possible.
- Imposing the 2020 precario tax assessments will be done later. Additional information can be found on the BghU website: https://bghu.nl/artikel/extra-maatregelen-in-verband-met-corona-en-belastingheffing-bghu-update-18-maart-2020

Easing of special assistance for the self-employed

The municipality is easing the application for subsistence support by self-employed persons. The assessment of partners and assets will lapse and the assistance will be provided as a gift. Application processing will be accelerated – from 13 weeks to 4 weeks. A stream of requests is arriving at this moment. Around 25 March, this more flexible scheme can be requested with a simplified request form. An evaluation is still being made as to whether support for the business continuity of small businesses and the self-employed is necessary beyond the federal measures.

Events

Many events have been or will be cancelled. Many organisers have already incurred considerable costs. Therefore, we are working on a compensation scheme, primarily for the organisers of smaller events and those focused on neighbourhoods, which often do not carry insurance covering cancellation of their events. The steps taken by the municipality focus on that part for which the national package provides no compensation. Additional information about the regulation and conditions will follow as quickly as possible. In this, we will also include the fees that have already been paid. In addition, we will also be accommodating concerning grant requirements. You can read more about this below.

Hospitality, hotels and retail

- Since hotels are also impacted by the Corona crisis, BghU will calculate provisional
 assessments for the 2020 tourist tax at 10% of the most recently assessed definitive tax (this
 is normally 80%). The definitive assessments for the 2018/2019 tourist tax will be charged
 later.
- The municipality of Utrecht has commercial collection contracts with various entrepreneurs who have now had to close their doors, so that collection is no longer required. We will get in touch with them with a proposal for a compensation scheme.
- In anticipation of the build-up of more liquid assets after the crisis, we are looking at the possibility of a one-time extension of the terrace season, together with entrepreneurs and stakeholders (normally, this runs from April through September).
- More information for hospitality entrepreneurs can be found at our "Horecaloket' hospitality site.

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- At the request of the transport sector, we are temporarily suspending (through 6 April) the
 time-slotting for stocking stores and businesses in the pedestrian zone in the inner city, so
 that transport companies have the latitude to be able to resupply in the pedestrian zone. We
 will apply this extension if there is reason to do so e.g., in connection with new federal
 measures.
- Store owners themselves may decide which opening hours they adhere to. In consultation with the entrepreneurs associations, we will try in each area to achieve as much unanimity in this as possible.

Employment services

Despite the Corona crisis, the services in the municipality of Utrecht are running well. The pay-out of benefits, emergency payments and urgent benefits are guaranteed to take place. We are lenient concerning debt collection and collection activities and make payment arrangements as necessary. We are using a shortened and simple application procedure for which the temporary contract of the party involved is not extended. We are also making flexible payment arrangements in which we consider not only financial capacity, but also involve the resident's entire situation.

More information

The most up-to-date information about the schemes for entrepreneurs and cultural institutions can be found at www.utrecht.nl/ondernemen. The Chamber of Commerce website (www.kvk.nl/corona) is a good and up-to-date starting point for accessing the national and regular regulations.

Finally

The Utrecht economy is strong and robust. But the Corona crisis is a direct hit to our local economy. Fortunately, we are also seeing many initiatives in the city from entrepreneurs and residents "to make the best of things". Keep doing so!

We will make changes to the package of support measures if there is reason to do so. For this, we are in daily contact with partners in the city, like you. Should you have any questions or comments, please send an e-mail to: EZ@utrecht.nl.

We wish you every success and strength in the near future.

Sincerely,

Klaas Verschuure, Alderman for Economic Affairs