

MHILA
Maryland Hotel
Lodging Association

March 19, 2020

Re: COVID-19 (coronavirus) Hospitality Industry Response

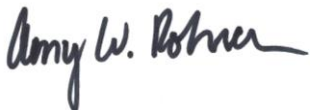
Dear Chief Elected Official:

Maryland's lodging industry is reeling from the fallout from the global COVID-19 (coronavirus) crisis. In a matter of weeks, we are seeing our occupancy, rate and demand for our hotel rooms plummet. Layoffs and hotel closures in mass are becoming a reality. Oxford Economics projects Maryland will lose 34,659 (low end) - 42,361 (high end) hotel supported jobs. "Marriott International said Tuesday that it was starting to furlough what it expects to be tens of thousands of employees. The hotel chain, which has nearly 1.4 million rooms and employs 130,000 people in the United States, began shutting down some managed properties last week."¹ Travel related spending is projected to drop \$355 billion in 2020.² The current challenges facing the hospitality industry are existential, completely unprecedented, and wholly unforeseen by all globally.

While assistance from the federal government is being discussed, it may take months for that assistance to materialize. To keep our hotels operating and our associates employed we need immediate assistance from our local governments. **We are requesting immediate deferment - with waiver of penalties and interest - of occupancy and property taxes to provide immediate relief to our industry.** This is not a request for tax forgiveness, but rather a request to allow hotels to have enough short-term liquidity to keep as many employees on staff as possible. Further, we will need this assistance in the recovery period to assist us with building our industries back.

We are following all state, local and federal guidance to assist in curbing the spread of virus. We are perpetually updating our staff and guests to provide them to the most up to date guidance to protect their health. At this point in the crisis, many of our guests are first responders and essential government personnel. Some of our hotels are partnering with state and local governments to house the homeless and other vulnerable populations. We will continue to do our part during this unparalleled global crisis. However, we need assistance from our state and local governments to continue to do our part.

Thank you in advance for your consideration.



Amy W. Rohrer, President & CEO

cc: Budget & Finance Officers

¹ <https://www.wsj.com/articles/marriott-starting-to-furlough-tens-of-thousands-of-employees-11584459417>

² <https://www.washingtonpost.com/business/2020/03/17/travel-hotel-industry-coronavirus-jobs/>