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October 25, 2021

**Via Email**

Hon. Bill de Blasio  
Mayor of the City of New York  
City Hall  
New York, NY 10007

Dear Mayor de Blasio:

I am writing to express my deep concern that the City of New York intends to move forward with a water and tax lien sale in December. I find it alarming that this lien sale, which will strip homeowners of their single most valuable asset because of an unpaid water or tax debt, will take place despite the continuation of the COVID-19 pandemic and the extraordinary economic strife that it has created for so many New Yorkers. Even harder to believe, the City of New York is going forward with the lien sale at the precise moment when federal funding designed specifically to help homeowners avoid foreclosure is due to become available for New Yorkers in need. My office also received reports that the 90-day notices sent out last month did not include a copy of the hardship declaration that allows homeowners who have experienced economic hardship related to COVID19 to be removed from the tax lien sale. For these reasons, I urge you to delay the lien sale until the City's economy stabilizes and to use that time to assist homeowners at risk of foreclosure to obtain federal foreclosure prevention funding and apply for state-level foreclosure relief.

Last year, our offices worked together with the City Council and advocates to make reforms to the lien sale process including establishing a task force that will issue recommendations to make the lien sale process more fair. While we await the final recommendations of that task force, the City of New York should be more attuned to the precarious state of New Yorkers' budgets as the pandemic continues to bear down on the City's residents, especially those in need. Foreclosing on the homes of thousands of New Yorkers in need in the midst of the pandemic is the wrong response to the financial hardship these individuals confront. I ask that the City continue to postpone the lien sale until we have fully exited this crisis, or at a minimum, await the recommendations of the commission.

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The City's insistence on moving forward with the lien sale is particularly troubling because federal funding to prevent foreclosures is due to be released in the coming weeks or months. New York State is in the process of developing a Homeowner Assistance Fund utilizing federal funds made available by the American Rescue Plan Act of 2021. The purpose of this funding is to assist homeowners impacted by COVID-19 facing displacement get the help they need to stay in their homes. Homeowners currently on the tax lien sale list may be eligible for these funds. Unfortunately, the State is waiting for federal approval before this program can start taking applications and releasing funds. This program will offer hundreds of millions of dollars in homeowner relief in New York and will undoubtedly save the homes of hundreds, if not thousands, of New Yorkers. It does not make sense to move forward with a lien sale before homeowners are able to even *apply* for these funds. I request that you delay the lien sale until the federal funding allocated for New York state through the Homeowner Assistance Fund is fully disbursed.

Beyond delaying the tax lien sale, I would at least expect the City to do everything in its power to ensure homeowners are aware of potential protections and assistance. I have heard from advocates that, due to the ongoing pandemic, there have been no in-person outreach events with Department of Finance even though all New York City employees are required to go to work in-person. Offering in-person events allows homeowners on the lien sale list the opportunity to ask questions and access resources to avoid the lien sale. Even more disturbing are reports that the 90-day notices sent out last month did not include a copy of the hardship declaration that allows homeowners who have experienced economic hardship related to COVID-19 to be removed from the tax lien sale. When the State Legislature passed the COVID-19 Emergency Eviction and Foreclosure Prevention Act, they required that landlords and mortgage servicers send tenants or homeowners a copy of the hardship declaration before commencing an eviction or foreclosure action. The City should hold itself to this same logical standard and must include the hardship declaration in all future notices.

Finally, I would like to reiterate my previous position that New York City needs more than a short-term fix for the tax lien sale. COVID19 may have exacerbated the impact of the lien sale on our vulnerable communities, but it did not create them, and 2021 will not be the only year when the lien sale causes significant harm to our families and communities. I am disappointed we have not been able to make significant reforms to the tax delinquency process so far but remain hopeful that we can work together with current and incoming leaders to create a better and more just system for New Yorkers.

I thank you for your prompt attention to this matter.

Sincerely,



Letitia James