

Industrial Development Agency

SHAWYN PATTERSON-HOWARD Chairperson City Hall, One Roosevelt Square Mount Vernon. NY 10550 (914) 465 2994 – Fax: (914) 665-6173 **ROBIN MACK**Director, Business Development - IDA

## Referral Letter MV IDA 10-24

December 17, 2024

Honorable City Council Members One Roosevelt Square Mount Vernon, NY 10550

Re: Referral to Enact Local Law for Hotel Occupancy Tax

Dear Honorable Council members,

This letter is submitted to request your consideration and authorization to enact a local law imposing a 5.875% hotel occupancy tax on accommodations with the City of Mount Vernon. This tax will apply to hotels, motels, hostels, and short-term rentals and is proposed to take effect January 1, 2024.

The proposed tax percentage is consistent with the current rate in the City of Yonkers, which increase from 3% in August 2024. This alignment ensures that Mount Vernon is competitive while capitalizing on the potential revenue generated from its emerging hospitality sector.

## **Purpose and Benefits**

- 1. Revenue generation: the hotel occupancy tax is projected to provide significant additional revenue to the City of Mount Vernon. These funds will help address infrastructure improvements, capital projects and economic development.
- 2. Fair contribution from visitors/tourists: visitors/tourists to Mount Vernon contribute to the increased demand on City services i.e. public safety, sanitation, and code enforcement. This tax ensures that those utilizing accommodations within the City of Mount Vernon contribute their fair share to maintaining and improving these services.
- 3. Alignment with regional practices: neighboring municipalities (Yonkers, New Rochelle, White Plains) have implemented similar taxes at competitive rates, ensuring a level playing field for attracting visitors and hosting events.

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I respectfully request that City Council's authorization to enact the local law establishing a hotel occupancy tax at 5.875% and set the effective date of the tax as January 1, 2024. Additionally, I am also requesting that the Department of Finance be directed to create a revenue code for collection.

If you have any questions or concerns, please feel free to contact me at 914 465 2994 or rmack@mountvernonny.gov.

Very truly yours,

Robin Mack

Robin Mack
Director, Business Development

cc: Shawyn Patterson-Howard, Mayor Malcolm Clark, Chief of Staff Brian Johnson, Corporation Counsel File (2)

Referral Letter MV IDA 10-24 Permission to Enact a Hotel Occupancy Tax Page 2