

Alan Corbett [REDACTED]
Mon 4/13/2020 11:32 AM

To:
Economic Stabilization;
EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS

Dear members of the Economic Stabilization Taskforce,

Thank you for taking the time and energy to commit to finding solutions for the financial needs in our community due to the COVID-19 pandemic. I am a local owner and operator of a whale watching/ charter fishing business called Adventures in Alaska. I have been a resident, tax payer and charitable donor in Juneau for 15 years while living here year round with my wife (who also works in tourism).

As the owner of a small seasonal business, I am facing an extended period of economic uncertainty and severe financial hardship. I am not in need of another opportunity for a loan or additional debt that I would have to carry for potentially one year without any revenue stream (should the ships be unable to come or are severally limited this summer). Rather I am writing to suggest a couple of mechanisms which could benefit small businesses and potentially prevent them from shuttering permanently. As I understand, the CBJ holds \$16 million in their "rainy day fund," and frankly this is a downpour for small businesses, as well as members of our community who are desperate for aid. Furthermore it is my understanding that there is an additional \$16 million in sales tax savings. Clearly there is funding available to help.

I urge you to consider the following options:

- 1) Issue 1,000 grants of \$10,000 each to established small businesses with under 10 employees and who can meet a set standard of criteria including use of funds. These grants would be 100% forgivable. A portion of the city's budget is reliant on sales tax, which is generated by these businesses. Therefore, this is not a "handout" but an investment in the future economic viability of our community. This grant would differ from the CBJ Emergency Loan Program which was a great first step and a helpful idea for larger businesses who can carry added debt or might be open again in a month or two. However, small businesses such as mine were unable to access this loan as the terms were too onerous. A business such a mine with one person and one boat simply cannot afford to take on a huge monthly payment for an entire year minus income. A grant would be a "bridge" to get us to next year in paying for fixed expenses.
- 2) Freeze or remove the property tax burden on any commercial property used by small businesses. I understand there are many businesses who need relief on rent and if the property owner was given a "tax holiday" they could pass the savings on to the tenant (obviously this would have to be enforced).
- 3) Lower or eliminate residential property tax for this year. The city assessor's decision to implement a broad increase in residential property tax at time when families are forced to stay at home and are unable to work is mystifying. It places an unnecessary added financial burden on the community at the worst time possible. We are all stressed to the maximum and it will take many months to financially recover from short/ long term losses. Money saved in residential property tax would most certainly be rolled back into our community in paying for utilities, food, basic needs.

Juneau has ample funds to allow implementation of some or all of these suggestions. The CBJ has approximately \$32 million total in savings. This is the time to access these funds to stabilize our community for our future. It will be crippling for many seasonal business to try to "make it" to next year. These are the same businesses that build the sales tax coffers and provide jobs. Please consider how to be creative and innovative in support beyond more loan programs.

Thank you for your consideration,

Alan Corbett