

Max Mertz [REDACTED]
Fri 4/10/2020 2:04 PM
To: Economic Stabilization;

EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS

From: Charles Collins [REDACTED]
Sent: Friday, April 10, 2020 9:36 AM
To: Max Mertz [REDACTED]
Subject: Juneau Economics

Just a suggestion,

You might want to speak to some of the landowners of the residential rental market in Juneau. I can only speak for one but I am extremely worried about rent collection and no assistance from anywhere. CBJ is not looking at a tax break or a utility break, a very large expense for us. Banks seem to be unwillingly to restructure and why would they, income is drastically damaged. Tenants are not inclined to pay as they have been given a pass, so any of them that are either out of work and cannot pay or those that just decide not to pay take advantage of this.

This coupled with the lack of tourism commerce, a number of my tenants fall into this category, is a problem for the foreseeable future.

If the CBJ continues to build a budget on higher taxes and fees, that would in a large part come from entities such as us, I feel it is unsustainable. Sure we can attempt to get funding through banks but most of us are already leveraged somewhat. How far is the Federal Government going to be able to continue to prop us up.?

A message to our local government needs to be heard loud and clear, you have shut down commerce and most businesses are going to miss at least a month's worth of business, where is the money going to come from for property tax. This is a double whammy to CBJ and I do not see the concern I feel at the city level. I hope you are successful in communicating that the CBJ needs to let private industry work on fixing the economy, anything the CBJ or for that matter the State does limits what we can do. They may have saved us from the pandemic but it looks like they put us in the depression to do so. When we have 30% unemployed and vacancy rates for both commercial and residential are 30% or higher there will be no recovery.

But what do I know?

Charles Collins
[REDACTED]

General Manager Driftwood Hotel and Wright Services Inc