

Brenwynne Grigg

From: Tanja Cadigan [REDACTED]
Sent: Monday, April 20, 2020 10:43 AM
To: Economic Stabilization
Subject: attached letter

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

Dear Ladies and Gentlemen of the Economic Stabilization Task Force,

Thank you for taking the time needed to dedicate to our community in information gathering and creative problem solving during this current crisis. Your focused work is appreciated.

I am writing to you on behalf of my local family business that rents retail space on S. Franklin Street. We are year-round residents that have been operating seasonally for 35 years. Our store is located in what is considered the “high rent district” of downtown.

Clearly the COVID-19 pandemic has and will continue to have far reaching effects on every business in our community. However facing a season with the possibility of few or no cruise ships will have dramatic rippling effects for all tourism businesses, as well as our citizens who benefit directly and indirectly from collected revenues.

Our most urgent priority as a downtown business is relief in rent. Obviously the commercial real estate is currently overvalued considering the lack of income we are facing. I believe a temporary “property tax holiday” reduction must come from the city to create a mandate for landlords/ commercial property owners to lower rent. This will help small businesses to bridge to 2021.

The cascade effect of denying relief now to landlords/ commercial property owners will negatively impact economic recovery long after the pandemic recedes if buildings are without tenants. In other words, fewer tenants means fewer businesses to contribute to sales tax revenue. This will also dramatically reduce rent and property values in the future, which will finally lead to a reduction in property tax and sales tax on rent collected by the CBJ.

Regardless of available loans or interest rates (we don’t need more debt options), we would like to negotiate reduced rent with our landlord but the CBJ should be offering an incentive to them first. We are all in this together.

I appreciate your consideration and finding solutions that meet the true necessities of businesses in our our community.

Respectfully,

Tanja Cadigan