Proposed by: Finance Committee
Attorney Review: 06/24/2020
Vote: 6 Aye 0 Nay 0 Absent

## MUNICIPALITY OF SKAGWAY, ALASKA RESOLUTION NO. 20-30R

A RESOLUTION OF THE MUNICIPALITY OF SKAGWAY, ALASKA ESTABLISHING A POLICY TO DEFER MUNICIPAL LEASE PAYMENTS TO MITIGATE THE IMPACTS OF THE COVID-19 PANDEMIC ON SKAGWAY BUSINESSES.

**WHEREAS,** on March 16, 2020, the Municipality of Skagway declared an emergency based on the risk to the public posed by the global COVID-19 pandemic and the substantial adverse economic impacts to Skagway residents, which was confirmed by the Assembly on March 19, 2020; and

WHEREAS, Skagway businesses rely upon the tourism industry for financial stability; and

**WHEREAS**, the widespread cancellation of cruises to Alaska will have a detrimental impact on Skagway businesses; and

**WHEREAS**, secondary impacts to the local economy due to COVID-19 travel restrictions and health mandates will be devastating, with an estimated total community revenue loss of approximately \$160 million for the 2020 season; and

**WHEREAS**, the Municipality of Skagway wishes to implement a policy to defer municipal lease payments to mitigate the impacts of the COVID-19 pandemic on the financial stability of Skagway businesses;

**NOW THEREFORE BE IT RESOLVED THAT** the Borough Assembly of the Municipality of Skagway establishes the following policy for the deferment of municipal lease payments:

- Municipal lease payments may be deferred for one year from the effective date of this resolution.
- Municipal lease holders must submit a written request for deferment to the Borough Manager in order for deferment to be considered.
- The Borough Manager is authorized to execute municipal lease amendments in accordance with this policy.
- Municipal lease payments deferred upon the request of the lease holder shall be due in full one year from the effective date of this resolution, in addition to any other lease payments then due in accordance with the lease, unless an alternative repayment option is approved by the Borough Manager.
- Lease amendments will include payment provisions as approved by the Borough Manager.

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BE IT FURTHER RESOLVED THAT this resolution shall be effective immediately upon adoption.

PASSED AND APPROVED by a duly constituted quorum of the Borough Assembly of

the Municipality of Skagway this 2<sup>nd</sup> day of July, 2020.

Andrew Cremata, Mayor

ATTEST:

Emily A. Deach, Borough Clerk

(SEAL)

