



AGENDA ITEM #10.1.C

REPORT TO CITY COUNCIL

Report Prepared by: Nancy Malecha

Date: May 5, 2020

Subject: COVID-19 Pandemic Relief Considerations – Request to Defer Rent for Pequot Lakes Chamber

Report: Attached is a request from the Brainerd Lakes Chamber of Commerce to forgive five months of lease payments to the City for the Pequot Lakes Welcome Center in the total amount of \$3,875.

Council Action Requested: Council motion to forgive five months of lease payments from the Brainerd Lakes Chamber of Commerce in the total amount of \$3,875 for the Pequot Lakes Welcome Center.



BRAINERD LAKES

— Chamber of Commerce —

April 18, 2020

City of Pequot Lakes
4633 Main Street
Pequot Lakes, MN 56472

Dear Members of the Pequot Lakes City Council,

Thank you for your commitment to help our business community weather the COVID crisis. In the spirit of partnership and humility, we send this letter to request forgiveness of lease payments for the Pequot Lakes Welcome Center, located at 30951 Government Drive. As you may know, the Pequot Lakes Chamber has an ongoing lease agreement with the City in the amount of \$775 per month. Because chambers of commerce are not considered essential organizations as defined by the state, we don't expect to reoccupy the building until after Memorial Day.

The Brainerd Lakes Chamber, of which the Pequot Lakes Chamber is part, has been working diligently to assist its 1,000+ members while trying to maintain financial security. Like most businesses, we have lost about 65% of our revenue, which is largely dependent on our ability to convene people. This reflects the indefinite postponement of a variety of programs and events as well as significant losses in advertising and sponsorship revenue. We are depending on membership dues as our primary source of income, which are in jeopardy due to the hardships our businesses are currently experiencing. We have also laid off three part-time staff members and started the application process for an SBA Economic Injury Disaster Loan.

In light of our current situation, we respectfully request a five-month forgiveness on our lease payments in the amount of \$3,875. This would extend to the end of our fiscal year, which concludes on August 31, 2020, and allow us an opportunity to regain our financial security.

Meanwhile, we will continue our efforts to advocate for businesses, provide assistance on government relief programs, connect people virtually, and promote the Lakes Proud "buy local" campaign. We remain optimistic about economic recovery.

Thank you for your consideration in this matter.

Sincerely,

Matt Kilian, President
Brainerd Lakes Chamber of Commerce

Katie Wassermann, Director
Pequot Lakes Chamber of Commerce



**Brainerd Lakes
Administrative Office**
224 West Washington Street
Brainerd, MN 56401
(218) 829-2838

**Brainerd Lakes
Welcome Center**
7393 State Highway 371
Brainerd, MN 56401
(800) 450-2838



Crosslake Office
County Road 3 and Route 66
P.O. Box 315
Crosslake, MN 56442
(218) 692-4027



Pequot Lakes Office
Along the Paul Bunyan Trail
P.O. Box 208
Pequot Lakes, MN 56472
(218) 568-8911 or (800) 950-0291