

From: [Edward Schiessl Broadway Metro](#)
To: [Exhibits JSCVR](#)
Subject: Small business in the time of Covid-19
Date: Monday, March 16, 2020 11:34:04 PM

Hello,

I am co-owner and managing director of the Broadway Metro Cinema in downtown Eugene. We recently expanded our operation to 7 screens with over 300 seats, a full restaurant and bar, and make most of our food and beverages in house. We have a wonderful staff of over 20 employees and serve roughly 150,000 customers each year.

As a result of the expansion, we are servicing over a million dollars in debt, with large monthly loan/lease payments as well as steep rent for our large downtown footprint (spanning two addresses). We rely on substantial monthly cash flow to stay afloat— in the neighborhood of \$100,000/mo.-- and any prolonged disruption is likely to be catastrophic as the business has zero cash reserves.

The past 3-4 weeks, we've seen a steep decline in attendance as COVID-19 has begun sweeping the world. Today, per Governor Brown's order, we closed the cinema indefinitely, putting my entire staff out of work, and putting a full stop on our cash flow.

Our lease does not protect us from paying rent during a crisis such as this— only in the case of damage or destruction of the property. Our insurance for interruption of business specifically excludes losses due to virus.

We will still be on the hook for rent, insurance, utilities, loan payments, lease payments, etc. during this indeterminate period of closure, to say nothing of the \$100,000 coming due during March and April from the past 30-60 days' operations. As with most small businesses, today's income pays yesterday's bills, so we are going into this shutdown already in a substantial financial hole.

Just in the last 10 days, as attendance has been in freefall, we've been forced to borrow over \$60,000 to cover payroll, rent and other essential expenses. At this moment our borrowing ability has hit its limit, and I have no idea where to turn come April 1 when our next rent, loan and lease payments come due, let alone how to pay the aforementioned outstanding bills with no foreseeable source of revenue.

Beyond the precarious position of the business, I myself have not been able to take a paycheck for weeks, and I worry about my staff— mostly part-time minimum wage employees— being able to pay for their rent, utilities and basic necessities while they are out of work and presumably collecting a reduced unemployment check.

I know most other small, closely-held businesses like mine are in the same boat, and implore you to do what you can to help small businesses and low-wage earners, who stand to suffer irreparable financial harm during the coming weeks. I can't stress enough that people of my generation live paycheck to paycheck, and will literally be facing eviction in two weeks.

We see banks and big businesses constantly being bailed out, but what safety nets will be put in place for those at the bottom, who are today facing literal catastrophe?

Some mechanism for government assistance with Unemployment Insurance so that employers don't get dinged for mandatory temporary closures beyond their control would be appreciated, to say the least. We'd like to be able to retain or re-hire our employees when we re-open, but don't want to hinder their ability to make a UI claim in the meantime.

More importantly, a statewide freeze on rents, mortgages, utilities, and credit card payments is absolutely imperative. As I said before, small businesses and low-wage earners have no reserves, carry large amounts of credit card and student loan debt, and will be instantly and permanently devastated financially by this crisis. Simply waiving late fees, or setting up payment plans is unacceptable. We need a freeze, full stop, or my generation— as individuals and as hard-working entrepreneurs-- will have no chance of recovery.

Thank you for your support and quick action, Edward

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