

Dear Members of Congress,

I own and operate the Broadway Metro, a 7-screen cinema located in downtown Eugene, OR. I have been operating this and other cinemas serving our community for over two decades. Our cinema typically employs 20-25 staff members, and hosts a number of cultural events in addition to our regular art house cinema offerings— supporting community groups and non-profit organizations such as the Eugene Film Society, DisOrient Asian American Film Festival, and Encircle Films. We also collaborate on programming with the University of Oregon Cinema Studies, LCC Media Arts, Lane County Filmmakers Guild, and the City of Eugene to present year-round educational entertainment events in our community.

As you can imagine, the effects of the pandemic and resulting state and county restrictions on our operation have been devastating. We are among the **85% of theaters in Oregon that have suffered 90%+ in revenue losses, and 77% of cinemas in our state are expected to be insolvent by the end of this quarter** without assistance. In Eugene alone, we are the only surviving independent cinema— the David Minor Theater folded after 12+ years in operation and is now being sued by their landlord for defaulting on their lease, and the Bijou Art Cinemas— a local landmark— recently closed forever after 40 years in operation. We, and many others like us, are hanging on by a thread.

To make matters worse for our particular situation, we recently expanded and are servicing over a million dollars in loans and leases, in addition to the \$25,000 monthly rent on our sizable downtown footprint. This not only means we have been accruing close to \$65,000 of debt monthly (against zero revenues), but also means that the amount of relief funds so far have been predicated on 2019 grosses from a much smaller business model than our current one, and have thus been disproportionately small.

Since March, our industry suffered disproportionately from the Governor's and OHA's mandated restrictions. We have been alternately told we cannot operate at all, or limited to about 15% of our normal capacity. Meanwhile, our landlord, banks, etc. have been allowed to collect in full. It's absolutely unconscionable that the richest among us are allowed to continue collecting debt from small businesses that are prohibited by the state from earning money.

It's worth noting that **relaxed restrictions on capacity have no effect on our business viability, as long as distancing guidelines are in place**— for every couple that is seated, we must block off 14 empty seats around them to comply with the 6' rule, making it impossible to generate revenue from ticketed shows.

While we were not included in the \$25 million of relief funds for live performance venues last year, we've received loans from the PPP and EIDL, and a grant from the CRFCS, which helped get us caught up through June of 2020, but at this point we are approaching \$250,000 in back rent and could be placed in default at any moment. Without any meaningful protections in place, our landlord has made it clear that he is unwilling to compromise on rent, as has been the

case with most other small businesses. The idea that landlords and banks will compromise and help out their tenants without a mandate is unrealistic.

We are hoping for some funding from the Shuttered Venue Operators Grant program, but there's no scenario where it will be enough to get us caught up on rent and bills, especially considering that the pandemic will surely keep us closed through late this year, if not well into 2022.

We have been and will continue to do our part to slow the spread of Covid-19, but we desperately need your help if we don't want to default on our bank loans and lose our business— and our homes— in the process.

I'm writing today to urge your support of HB 3376. This bill is a critical lifeline for our industry. Most of us are independents, personally managing operations at only one or two locations. We are active members of the communities our theaters serve. Federal funds haven't been sufficient for our industry, and we need help on the state level to bridge the growing gap.

Cinemas small and large are reliant on nationwide studio releases to maintain our business model, but no major films are likely to be released until the pandemic is under control. Grant funds and property tax relief will provide a crucial bridge between now and when we are allowed to re-open and studios begin releasing films again.

This investment in cinemas will go further than just our businesses and staff. Movie theaters serve as an economic multiplier— anchor businesses that drive foot traffic to bars, restaurants, and other surrounding small businesses, fostering cultural vibrancy and educating moviegoers along the way. If theaters are allowed to fail, many other businesses that rely on these institutions to bring in customers will likely close as well.

Please support HB 3376 and help movie theaters get the bare-bones funding we need to continue to stay closed during the coming months and “hibernate” until it is safe for us to be open and begin rebuilding our cultural districts and small business communities.

Thanks for your time and consideration,
Edward

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