

# CITY LIGHTS CINEMAS

Wednesday, April 21, 2021

To: State of Oregon, Joint Ways and Means Committee of the Oregon State Legislature

Memo: Written testimony supporting SB 5555.

Thank you in advance for your time. As I pen this testimonial, we have received the deflating news that our roller-coaster up and down, close or not close, reduce capacity or increase capacity, has entered another 'high risk' phase here in Lane County. This news punctuates the desperate need the exhibition sector has in obtaining funding from anywhere possible in order to outrun this pandemic and remain standing—for our communities, for our livelihoods, for our staff members and their families, and for Oregon State's future tax monies. All of this requires that aid be provided where businesses have been, rightly or wrongly, shuttered for most of the last 14 months.

I am the owner of a formerly thriving movie theatre, City Lights Cinemas, in Florence, Oregon. We opened the defunct space in 2014 – and we rapidly became an integral part of the entertainment and arts community in this rural coastal town of approximately 10,000. While there are challenges to running any business—from technology to shifting consumer habits—we managed to attract more than 1,000 annual dues-paying members who supported our programming.

Yes, we showed movies (and opera, ballet, and theatre productions). But we are in the community building business. We are place for people to be entertained, educated, and to simply be with others. There are fewer and fewer places like this available in smaller towns.

We have been tenacious during this extended closure. We reopened last summer for a brief period, having completely modified our seating (pulling out half of our chairs to aid in social distancing) and concession area. Following the CinemaSafe protocols we felt like we had gone above and beyond the guidelines set by Oregon. When shut down again, we spent the closure continuing to pay staff full time while we engaged with the community via 'Curbside Concessions', popping to-go popcorn every Friday and Saturday night.

While we understand the necessity for safety protocols, it is hard not to feel singled out with extended closures and the previous inability to sell concessions—the lifeblood of the exhibition industry. With that inexplicable ban finally lifted, we were able to reopen our theatre on March 5, and it has been remarkable to see the community love for our cinema. We've had families (all masked, of course) tell us that this was their first foray as a family doing something

entertaining for a year! Seniors, many of them vaccinated, are so relieved we have survived this far and ask us with a look of supreme concern, “are you going to be OK.”

While a modest PPP last year helped during our remodel, we’ve thus far been without any government assistance. We were not included in the \$25 million that went to live venue operators. None of the Oregon ‘lottery’ style grants were ‘won’ by City Lights (or other theatres that I know of). While shuttered we were still told we had to pay our ‘personal property taxes’ even though the business had been closed to the public. Our unemployment tax has ballooned from sub-\$500 to over \$4,000, nearly a ten-fold increase for furloughing workers through no-fault of our own.

Thus, SB 5555 is the first sign of hope I’ve seen that would substantively provide theatre owners with a much-needed boost to stay solvent. Even turning the lights on today means losing more money than we can earn through ticket revenue: with capacity limits and a lack of product, it will be months, possibly years before this industry can right itself. City Lights plans to be standing when that time comes, but for myself and all my fellow exhibitors, we can save these community gathering places only with the support of government institutions.

The long-term benefits of years—decades—of future tax monies will only be possible if the industry can be saved RIGHT NOW.

I urge all representatives on both sides of the aisle to support this truly bi-partisan effort to maintain this industry’s footprint in Oregon.

Thank you for your time,

A handwritten signature in black ink, appearing to read 'M Falter', written in a cursive style.

Michael Falter  
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