

Dear Petersburg Borough Assembly,

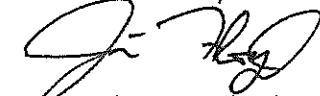
I am writing on behalf of the Petersburg Chamber of Commerce Board to express our support for the proposed adjustment of the tax cap in Petersburg. The increase in the sales tax transaction will be from \$1200 to \$5000. It has come to our attention that the tax cap has remained unchanged since 2002, a period of over 20 years. And although it has benefited many residents it is time to reassess the cap and how an adjustment could benefit the community's growth and expansion prospects.

Petersburg currently holds the distinction of having the lowest tax cap among neighboring areas. We can clearly see that a higher cap has not negatively affected Wrangell, Sitka, Ketchikan, or Juneau.

In partnership with the Borough, revenue is needed to continue to provide services to our members, residents, and visitors. In order to help facilitate growth and continue to maintain our beautiful community oftentimes it means revenue options need to be reassessed for adjustments. We believe increasing the tax cap is a small portion that could have an overall benefit to the community without any detrimental impact to the community. As our community strives to attract new businesses, residents, and investments, it is essential that we create an environment conducive to growth and prosperity. We need to be able to maintain our infrastructure and at this time the Borough's 2025 proposed budget is nearly \$400,000 short.

We believe that adjusting the tax cap is long overdue. The overall benefit to continuing to provide services to the community and aid in balancing the Borough's budget will outweigh the small amount of impact it will have on individual community members.

Thank you for your consideration,



President, Jim Floyd