

Dear City Manager and City Council Members,

We, the Lang sisters of Lazy Otter Charters, are writing this letter to address our personal experience with the implications of Ordinance 2024-005. We hope that sharing our experience and concerns will provide helpful insight into future considerations.

We are new to this discussion, and that comes with the advantage of a fresh set of eyes. We want to say at the outset that we are not coming into this discussion with solidified ideas or a battleground mentality - we simply want to understand what is best for our business and our community.

This week we have dove into the history of this Ordinance, and I can honestly say that both sides make valid points. The City of Whittier needs money. The tour companies need for Whittier to be an economically viable option. It is an incredibly difficult set of goals to balance.

We are writing this letter because, as of the past week, we have been forced into this issue. Premier Alaska Tours has communicated to their partners that they will not come to Whittier in the months of March and April as a result of the Ground Transportation Fee. Their goal is to make a statement to the City of Whittier. Colette tours, a company that has brought business to Lazy Otter Charters in March and April for several years and who we have a very positive relationship with, is being put in a very difficult situation, as are we. They use Premier to transport their tour groups into Whittier, and with Premier pulling back we are left with the possibility of these tours being cancelled. Just today, we received an email from another tour group who have received notice that their transportation into Whittier has been cancelled. This is all very concerning for us.

Premier is only altering their business in the spring months, not the summer months. This means that when it comes to the list of businesses that will be affected, the list is very short: Lazy Otter Charters. Premier is choosing the lowest-volume months to make this change, which means that at this time they want their power to be felt while also not impacting their revenue during the busy season.

For Lazy Otter Charters, however, that is right when our revenue begins. As you know, we are brand-new business owners, and we are relying on the revenue from Spring trips to allow us to begin making our first payments when they become due. We are unique in that we operate year-round, which means that we rely on being able to operate as soon as the demand for tours is present. What we have in March is a case in which the demand for Spring tours is there, we have a pre-established relationship with groups such as Collette Tours, and we have built a budget around the use of those funds. We had all the parts we needed to make our spring succeed. Although the rest of our business is set up to allow that relationship to continue, it is the Ground Transportation Fee that threatens to bring this business to a halt. We are still working to understand the full impact that this turn of events will have on our operations.

The purpose of our writing this is to compel the City to understand the serious effect this fee is currently having on a local Whittier business. The loss of these trips is the immediate effect of what Premier is willing to do with the limitations of a fully booked summer season

quickly approaching. We greatly fear what this means for next year, and the year after, when companies like Premier will have the time and availability to restructure their operations - without Whittier.

It is incredibly difficult, because the three of us have two thoughts at the same time: That we want Whittier to have the funding it needs to succeed, and that we are concerned about what our operators' reaction to the fee portends for the viability of our new business, and for the future of tourism dollars in Whittier.

The way we see it, if companies like Premier choose to not come into town this spring, it directly hurts one of the only businesses that operates in the spring months. Losing just one trip in this early season can be the difference between successfully making our lease/payroll/other monthly payments, and struggling to do so. Losing these trips in turn impacts the City of Whittier by losing the Waterborne Transportation Fees paid by our passengers, and the sales tax associated with our operations. Healthy local businesses support healthy local communities. As local residents, we understand the need for City funding, not only for necessary infrastructure maintenance/repairs, but also to support programs and projects that contribute to the happiness and health of the local community. As local business owners, we do not believe this is a sustainable source of that funding.

It really just boils down to this - we are deeply worried about Premier's plans to withdraw from Whittier in the months of March and April. We are deeply worried that other companies might follow suit, and cut out Whittier excursions from their itineraries in the future. We do not think this fear is unfounded, as we are already seeing it happen.

We appreciate your consideration of our experience, and hope it provides context for future decisions regarding this ordinance.

Sincerely,
Tammy, Michelle, and Jen Lang