



## Local Restaurant Owners, State Restaurant Association Urge Gov't to Replenish 'Restaurant Revitalization Fund' as Outdoor Dining Season Ends

*Restaurants brace for the coming winter months as the need for necessary aid increases while businesses struggle to keep their doors open*

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**BUFFALO & ALBANY, NY** – Today, the New York State Restaurant Association, alongside local restaurant owners in Western New York and the Capital Region, discussed the imminent financial hardships restaurants anticipate as the outdoor dining season comes to an end. As the industry continues to grapple with the lingering repercussions of the pandemic, many restaurants across the state found relief by expanding or overhauling outdoor dining options for their establishments. However, as seasons change and those options become limited, New York restaurants are looking to the federal Restaurant Revitalization Fund (RRF) program for continued relief.

The RRF, a federal funding program, was designed to provide emergency assistance for restaurants and bars impacted by the COVID-19 pandemic. In New York State, only **35.4% of businesses** who applied for RRF funding received financial assistance. There were 27,643 applicants from New York asking for \$9.6 billion, and 17,868 applicants were not funded — an outstanding need of \$5.9 billion. Eligible restaurants who previously received funding from the RRF program were able to recoup losses from the pandemic, but the vast majority who weren't funded are still struggling.

"The RRF program was deemed necessary in assisting the relief of many struggling restaurants at the height of the pandemic, but this aid is still desperately needed today. The replenishment of the RRF will provide additional resources for struggling restaurants to see another day and help make up for revenue lost because outdoor dining is no longer a viable option. Many in the industry have benefited from the RRF program, and many more deserve the same relief," **said Melissa Fleischut, President and CEO of New York State Restaurant Association.**

A [recent survey done by the New York State Restaurant Association](#) found that 85% of restaurants said they've seen a reduction in demand for indoor dining with breakthrough cases on the rise. With colder weather at the forefront, indoor demand is not where it needs to be for many. With much at stake, restaurants who were unable to receive funding from the RRF program in the past would greatly benefit from additional funding to revamp their establishments and stabilize foot traffic.

"Outdoor dining has been a huge help for restaurants across the state, including ours. The effects of the pandemic continue to linger and restaurants have adapted at every turn. As the cold weather looms, many of us must adapt once more to continue the businesses we have fought so hard to keep open, but we cannot do it on our own. We need Congress to replenish the RRF program to give our industry a fighting chance. We're not back to where we need to be, and we're worried about winter," **said Dennis DiPaolo, Owner of Ilio DiPaolo's Restaurant & Banquet Facility.**

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“The truth is our summer rebound was just that—a rebound. Many assume that the industry is experiencing a revival, but this is far from the truth. The pandemic has left a gaping hole in our industry with many businesses failing to operate at full-capacity and staffing levels not able to meet that diminished demand. The next few months will be vital as restaurants that have struggled to keep doors open will be forced to make tough decisions,” **said Daniel Garvey, Innkeeper at The Roycroft Inn and a member of the New York State Restaurant Association’s Board of Directors.**

“Restaurants need to be prioritized as our government leaders focus on various recovery efforts. As we head into the colder months, businesses will not have the same cushion warmer temperatures provide to sustain their revenues. The obstacles facing restaurants continue to mount as we face constant supply chain issues, increased costs and labor shortages. Restaurants play a key role in the vibrant culture of this state and our economy, but in order for this to continue our elected officials must provide necessary resources to lift us up,” **said Nancy Bambara, Vice President and COO of DZ Restaurants, and a member of the New York State Restaurant Association’s Board of Directors.**

The recent NYSRA survey continued to paint a gloomy future for the industry.

- 67% of restaurants do not expect business conditions to return to normal for at least another year, if not more
- 85% of restaurants experienced a decline in customer demand for indoor dining in recent weeks due to the increase in Delta variant COVID-19 cases
- 62% of restaurants saw a deterioration of business conditions in the previous three months alone
- 71% of restaurants recorded a lower volume in sales in August 2021 than during August 2019, prior to the onset of the pandemic
- Staffing shortages remain an issue as well. 78% of restaurants currently do not have enough employees to support existing customer demand
- While sales lag, costs have also increased:
  - 92% reported that total food costs remain higher than they were prior to the COVID-19 outbreak
  - 89% reported that total labor costs remain above pre-pandemic levels
  - 67% reported that total occupancy costs remain higher than pre-pandemic levels
- 93% of New York operators have a lower profit margin than prior to the pandemic

As the restaurant industry heads into the third winter of the COVID-19 pandemic, operators are well aware of what awaits them. Operators urge elected officials to take notice of the many local establishments that have stood through this unprecedented test of time and replenish the RRF program.

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