



October 19, 2021

The Honorable Nan Whaley
President
United States Conference of Mayors
1620 I Street, NW
Washington, DC 20006

Dear Mayor Whaley:

Despite a few weeks of optimism earlier this summer, the outlook for the restaurant industry remains dire. The delta variant impacted the dining behavior of 6 in 10 consumers, causing roughly one in five to stop dining out at restaurants entirely.¹ Additionally, while numerous operators benefited from the federal Restaurant Revitalization Fund (RRF), it quickly ran out of money, and approximately two thirds of applicants did not receive any funding. Congress has yet to replenish the fund leaving a \$43.6 billion funding gap and 177,000 restaurants in danger of closing.

Outdoor dining continues to serve as a lifeline for restaurants. Mayors and local leaders have led the way throughout the pandemic in helping restaurants expand their outdoor areas quickly and efficiently. However, the National Restaurant Association's latest research indicates that the continuing impact of the delta variant, the lack of RRF replenishment, and the changing weather are creating a recipe for a bleak winter.² The research found:

- In recent weeks, the delta variant slowed indoor dining at 78% of restaurants.
- At 68% of fullservice restaurants, outdoor dining is 20% or more of their daily sales.
- 61% of fullservice restaurants can only use their outdoor space through October.
- Only 30% of fullservice restaurants plan to utilize outdoor seating the entire winter.

In sum, restaurants currently rely on outdoor dining to stay open, but the dark chill of winter is coming. For operators depending on this revenue, every additional day they can extend their outdoor service matters. Last year, despite supply chain issues, many restaurants were able to invest in equipment to expand and winterize their outdoor dining areas. For many that was thanks to support from you and your colleagues and other lawmakers. But many restaurants weren't able to make those investments.

We encourage local leaders to do everything in their power to assist restaurants in offering outdoor dining for as long as possible this winter. Specifically, local leaders should consider:

- Extending expanded outdoor dining allowances.
- Continuing to streamline permitting processes.

¹ National Restaurant Association Consumer Survey, August 2021:

<https://restaurant.org/downloads/pdfs/business/consumer-sentiment-mask-vaccine-requirements>

² National Restaurant Association Research Group Survey, September 2021: <https://restaurantsact.com/outdoor/>

Honorable Nan Whaley

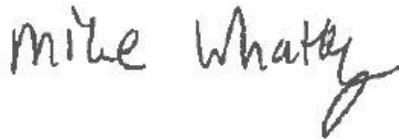
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- Promoting outdoor dining efforts by operators in their localities.
- Providing funding for outdoor dining infrastructure as some localities did last year.

Expanded outdoor dining cannot replace robust consumer demand for indoor dining or Congress taking action to replenish the RRF, yet it is critically needed to help the industry survive the winter. We appreciate everything local leaders have done throughout the pandemic to help restaurants in their communities and thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Mike Whatley". The signature is written in a cursive, slightly slanted style.

Mike Whatley

Vice President, State Affairs and Grassroots Advocacy