



Workforce Development and State Government Update

OBX Tourism Summit

Lynn Minges, NCRLA President & CEO
November 3, 2022

Who We Represent



20,000 Foodservice Locations



2,000 Lodging Establishments

Mission

To protect, educate, and promote
North Carolina's hospitality industry.



Goals

Voice

NCRLA is the most trusted and influential voice for North Carolina's hospitality industry.

Value

NCRLA demonstrates value by providing benefits, services, and opportunities of importance to members.

Impact

NCRLA promotes the impact of North Carolina's hospitality industry.



Business Recovery Grant Program

\$500 Million American
Rescue Plan Act Funds

NCRLA

NC Restaurant
& Lodging Association

Business Recovery Grant Program

\$500 million
from the
American
Rescue Plan
(ARP) State
Fiscal Recovery
Fund

Phase 1 \$300 million
goes to 3,406
businesses.

Eligibility
Requirements
Expanded

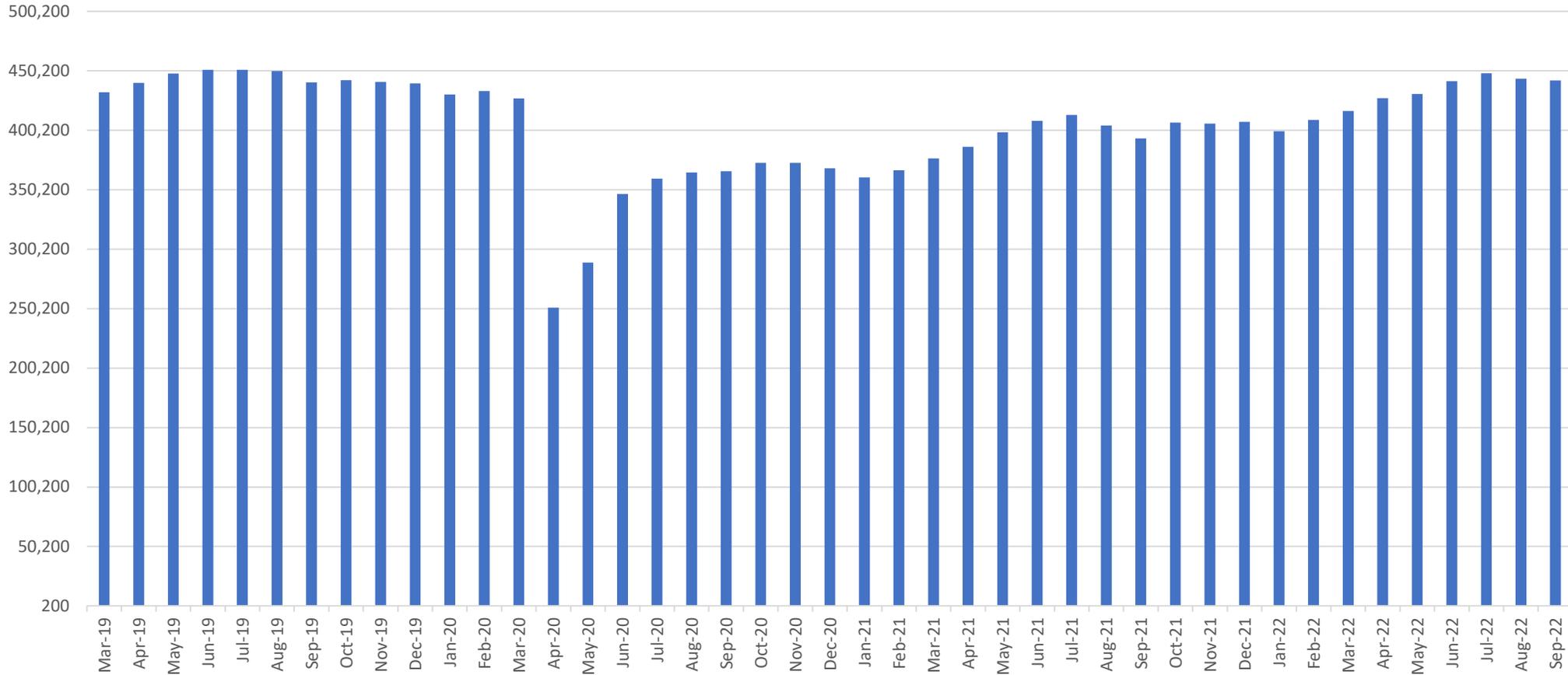
Phase 2 Remaining
\$200 million
sent to 3,931
businesses

Hospitality Industry Overview

Employment Data Trends

**As of September 2022*

NC Accommodation & Food Services Jobs



Smith Travel Report (STR) Trends

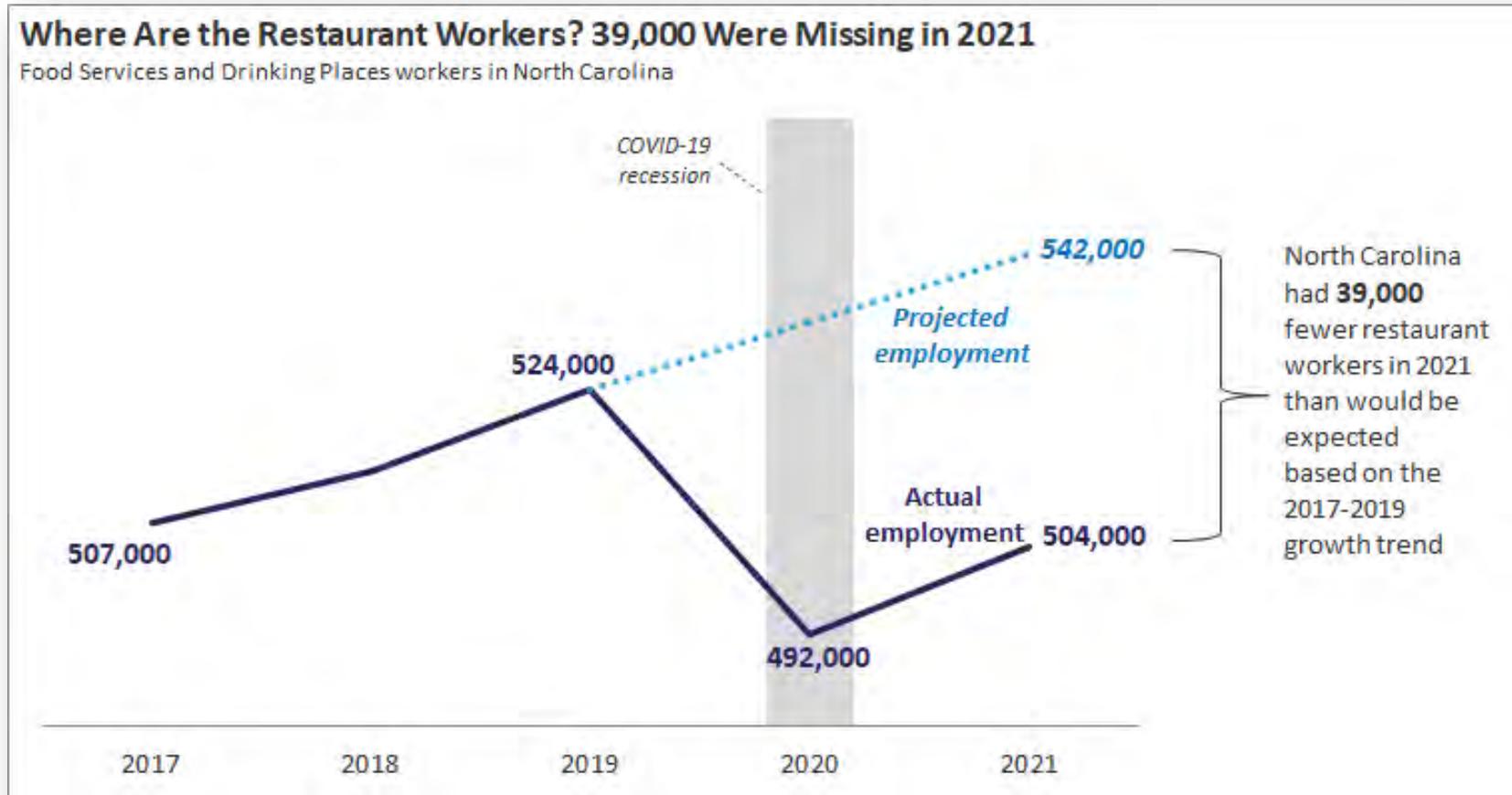
**As of September 2022*

Data Type	September 2022	September 2019	Compared to September 2019
Occupancy Rate (%)	64.4%	66.5%	-2.1%
ADR (%)	\$126.92	\$109.10	\$17.80
RevPAR (\$)	\$81.72	\$72.55	\$9.20

What Happened to North Carolina's Restaurant Workers After the COVID-19 Recession?

NC Department of Commerce | Labor & Economic Analysis

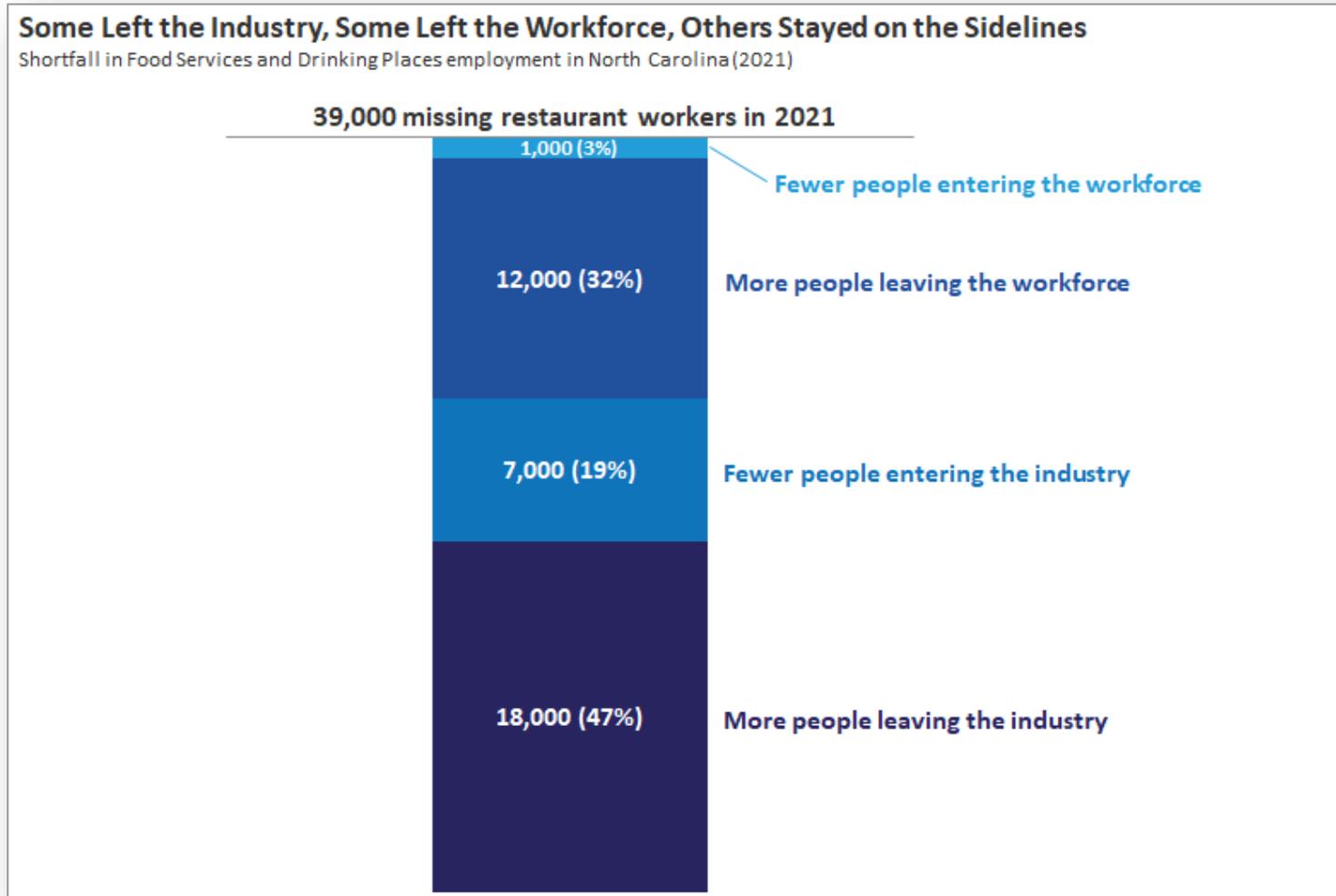
Source: North Carolina Common Follow-up System



What Happened to North Carolina's Restaurant Workers After the COVID-19 Recession?

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NC Hospitality Workforce

Recruitment and Retention

1. Recruitment Campaign — \$5 million
2. Training Program — \$1.1 million



Taskforce Members



**Steve Thanhauser,
Chair**
Angus Barn Ltd.



Amber Moshakos
LM Restaurants



Doris Huebner
F&D Huebner, LLC.



Scott Maitland
Top of the Hill Restaurant,
Brewery & Distillery



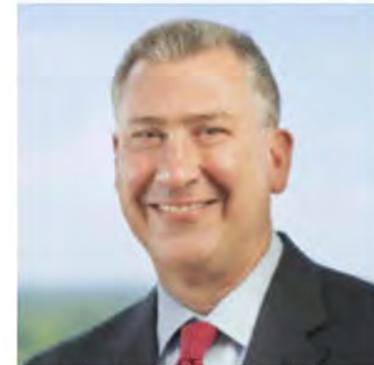
Dean Ogan
Rocky Top Catering



Jim Beley
The Umstead Hotel & Spa



Jim Gratton
Marriott International



Denny Edwards
Greater Raleigh CVB



NC Hospitality Workforce: Recruitment and Retention

Recruitment Campaign – \$5 million

1. Research:
 - a. Hear from NC businesses about challenges
 - b. Hear from NC restaurant and lodging employees and former employees
2. Message/Campaign Development
3. Execute Recruitment Campaign--\$ 4 million in promotion to attract workers

Shelly Green

Shelly Green, LLC.



Evonne Coleman





NCRLA | NC Restaurant & Lodging Association

**Workforce
Development**
roundtable discussions

Wednesday, August 3	Charlotte
Thursday, August 4	Asheville
Tuesday, August 9	Greensboro
Wednesday, August 10	Durham
Tuesday, August 16	Raleigh
Wednesday, August 24	Wilmington
Thursday, August 25	Greenville
Monday, August 29	Virtual
Tuesday, September 6	Outer Banks



RESEARCH

Phase 1: Photos from Sessions





RESEARCH

Phase 2: Employee and Former Employee Focus Groups



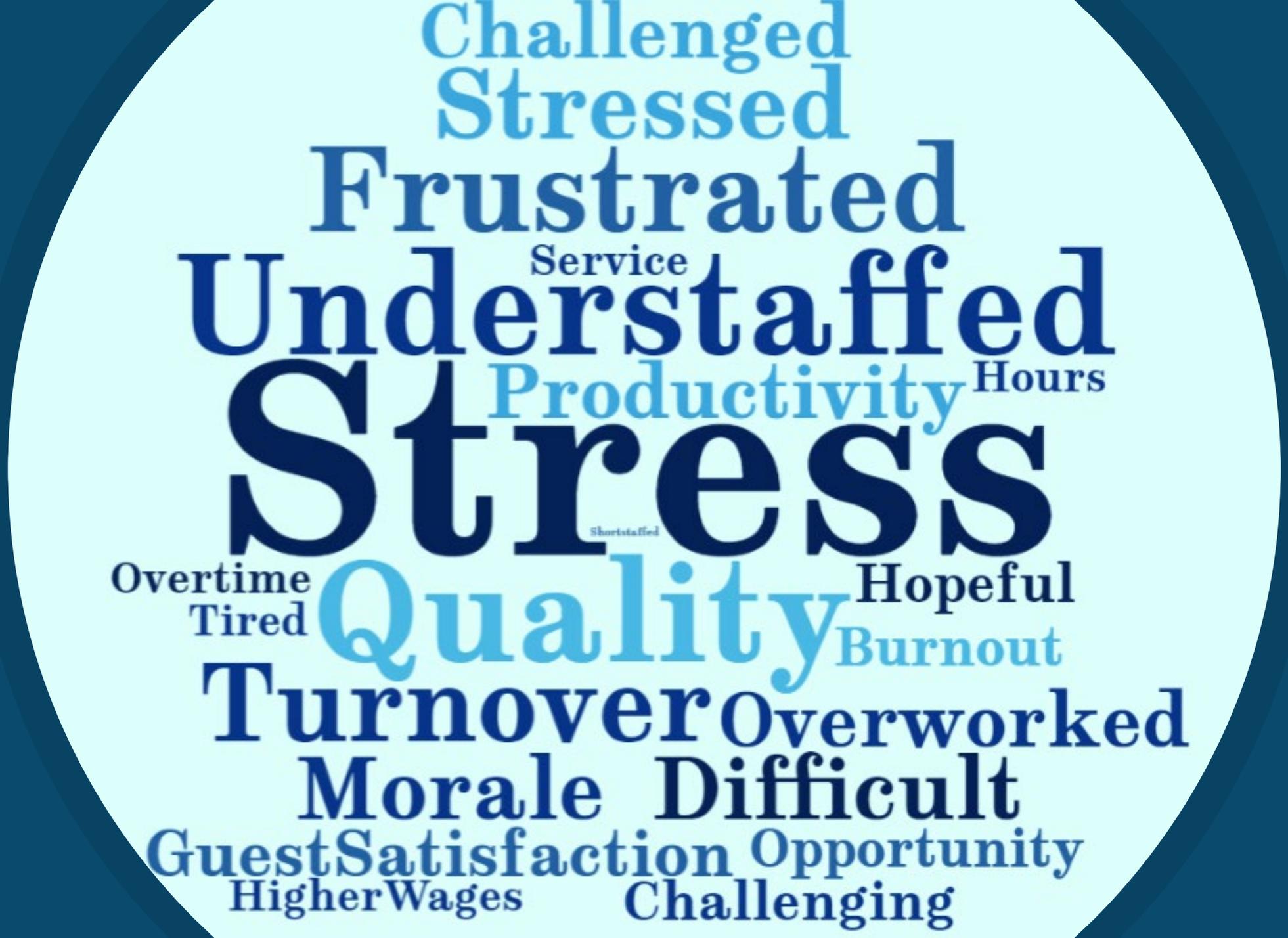
Chris Sinclair



Anna Roberts



Paul Fallon

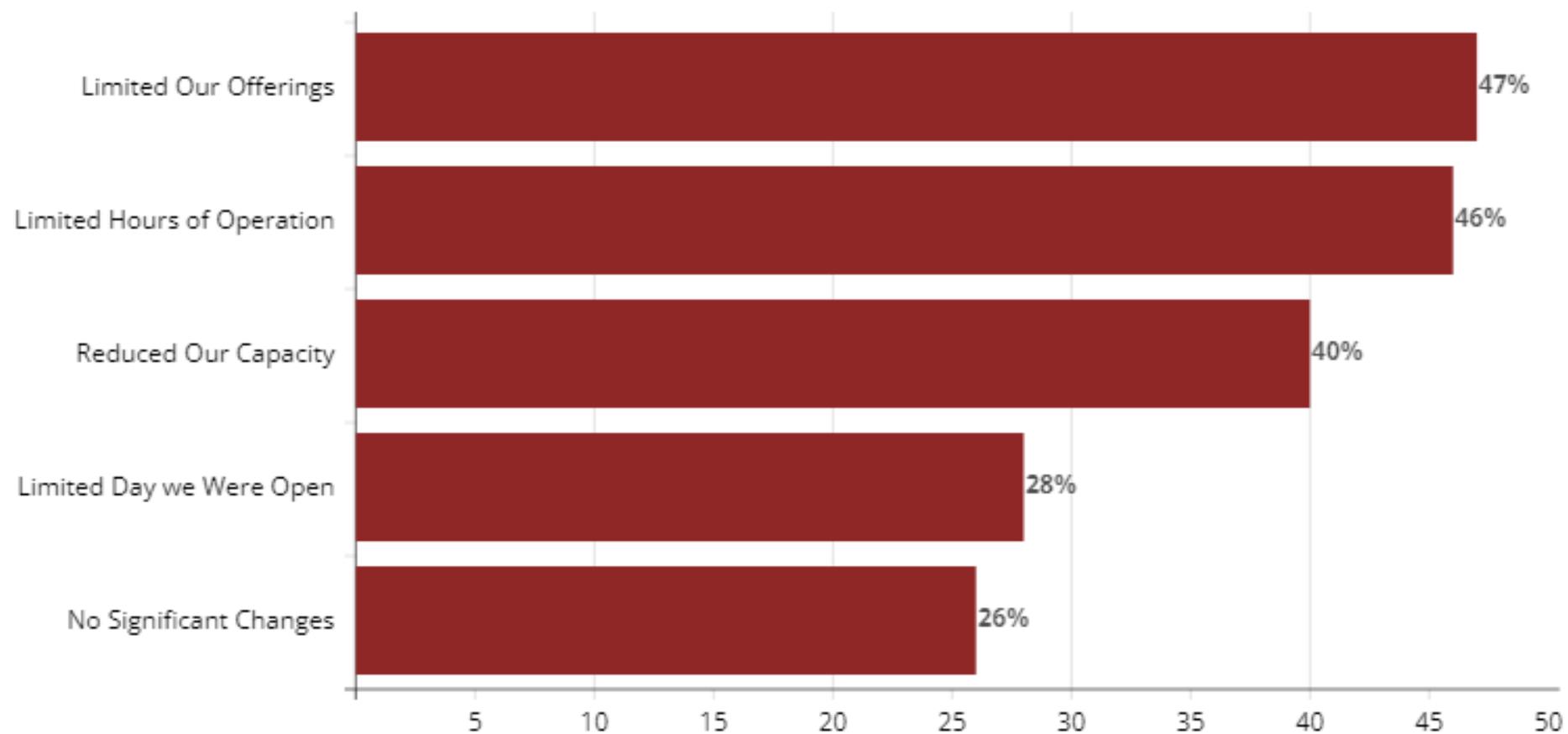


Changes Made to Wages and Benefits

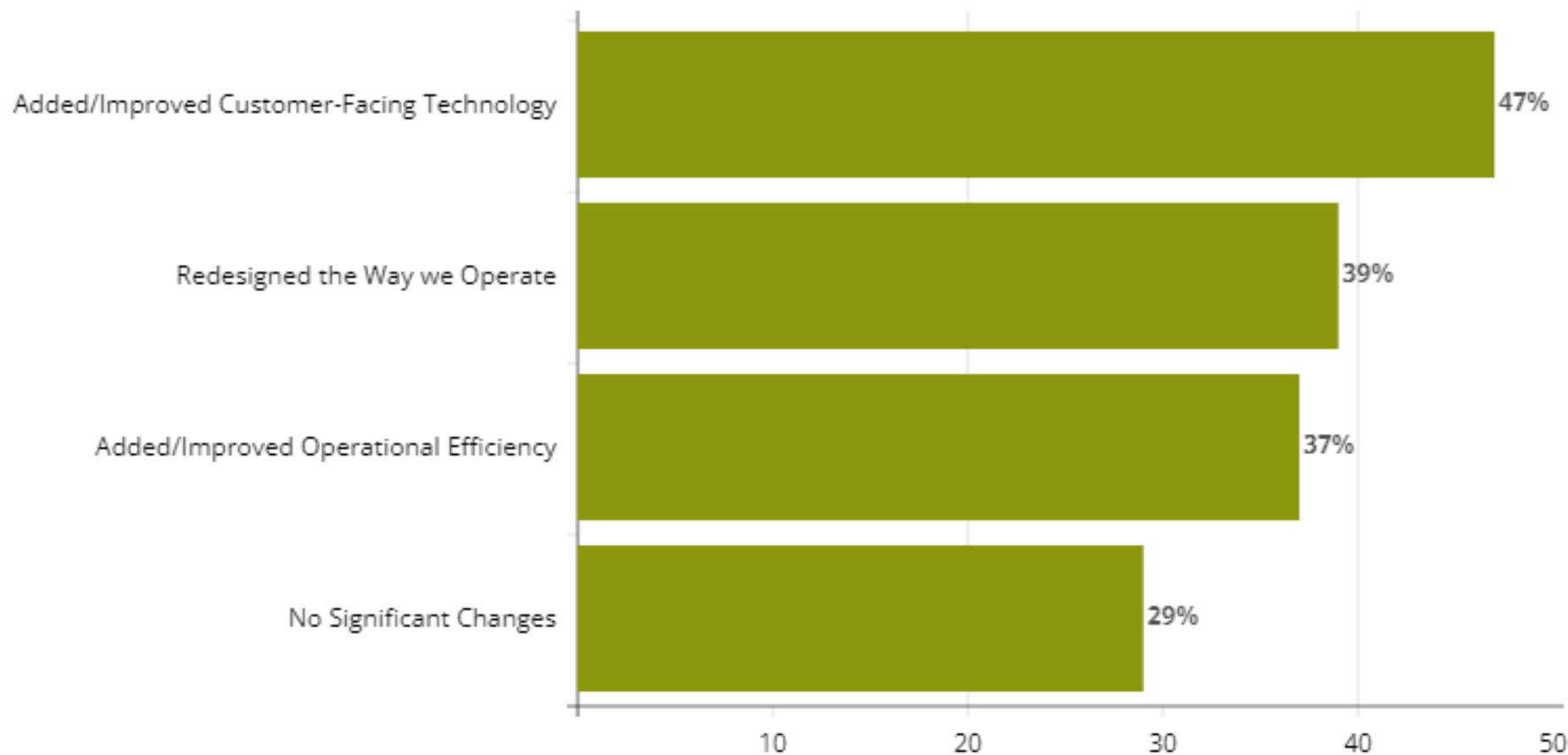




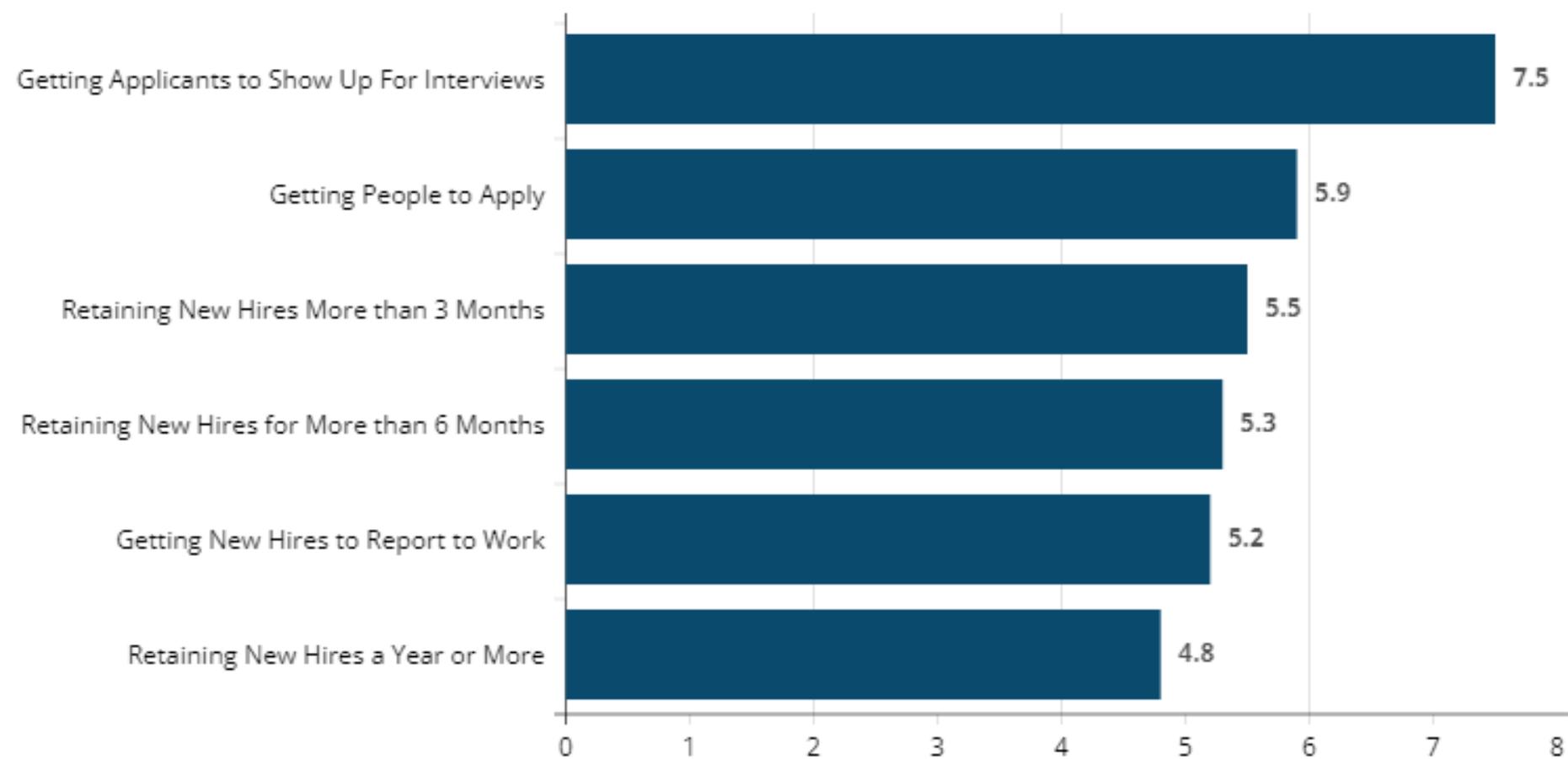
Changes Made to Availability



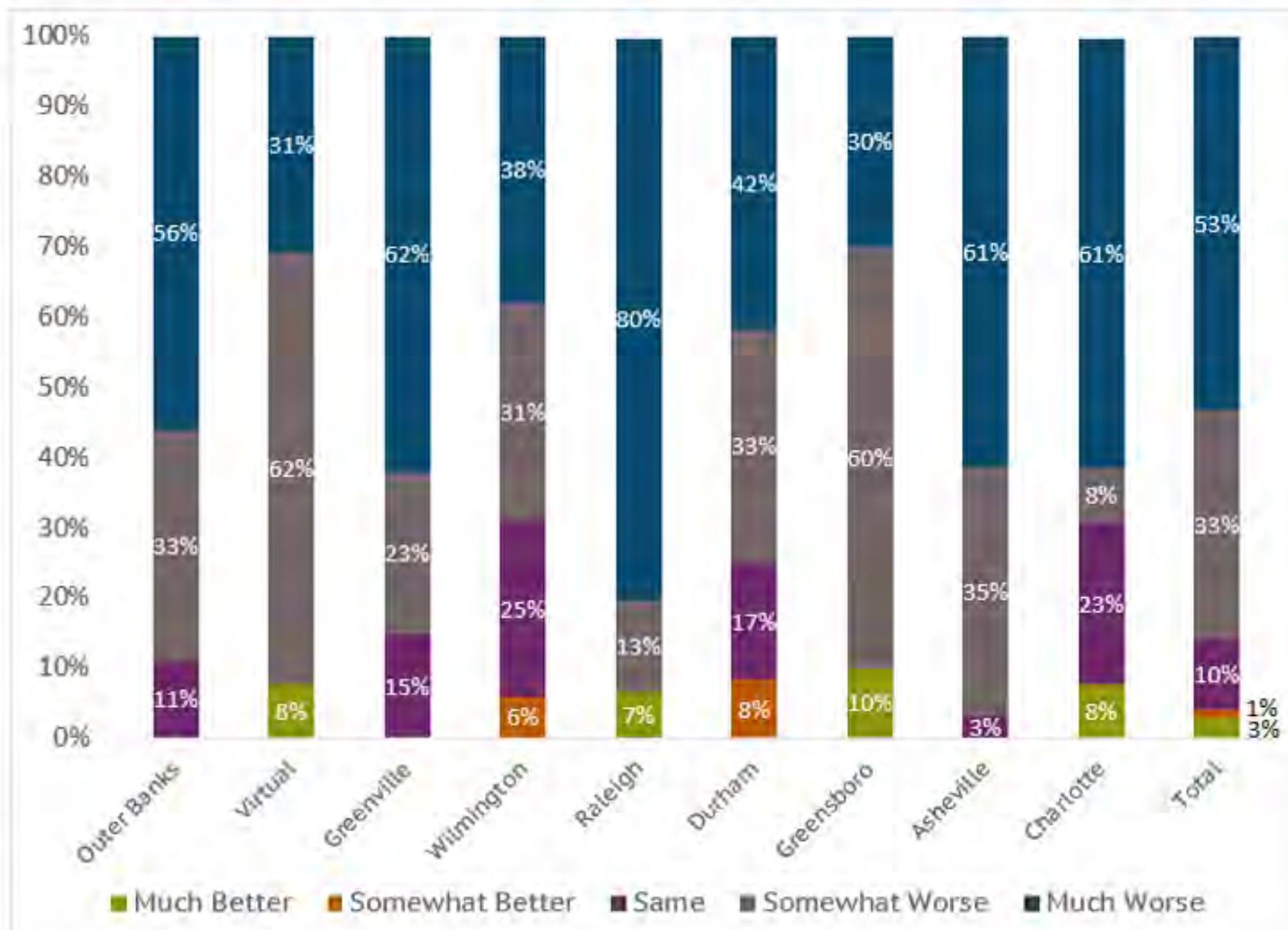
Changes Made to Overall Operations



Biggest Challenges in Recruiting & Retention



Recruiting/Retention Challenges 2019 Versus 2022



A photograph of a man and a woman standing at a grocery store checkout counter. The man, wearing a grey sweater, is smiling and looking at a cashier. The woman, wearing a light blue shirt, is also smiling and looking towards the cashier. The cashier is a woman with long dark hair, wearing a blue top, who is looking down at something in her hands. In the background, there are shelves stocked with various grocery items, including bags of snacks and cereal. A computer monitor is visible on the right side of the counter.

7 Recommendations on Messaging



Focus on Personal
& Professional
Growth



Celebrate our Diversity



Emphasize
Culture



Emphasize Pathways to the Future



Underscore
Hospitality Jobs
are Honorable,
Flexible & Good
Paying





@#\$\$%!



Rehabilitate
the Image
of Our
Industry

Demonstrate Hospitality Patrons Showing Kindness





Audiences to Attract and Avoid

ATTRACT

- Entrepreneurs
- Team Players willing to learn new skills
- People attracted to the “gig” economy
- Part-timers looking for extra \$\$
- People geographically close
- Nontraditional employees

AVOID

- Those who want to work from home full-time
- People overtly worried about health and safety during COVID
- Those interviewing to qualify for unemployment



Government Affairs Update



Current Issues

- School Calendar- districts violating law
 - Cabarrus
 - Henderson
 - Stanley
 - Moore
- Split case fees decision changes in favor of distributors





Current Issues- Regulatory

- Health inspections taking up much more time than normal
- Inspectors not adhering to new bar inspections law

Carolyn Griffin-

NCRLA's Food Safety and
Lodging Regulations Specialist



Emerging Issues/Session Preview

ABC Policy

- Hotel vouchers/ refiling clarification of eviction legislation
 - Credit Card fees/sales tax
 - Labor law changes
 - Increasing number of game nights allowed
- Continuing problems with liquor delivery to permittees
 - Allowing restaurants and bars to sell straight to consumers.
 - Allowing a permittee to purchase liquor from any ABC that has the product available.
 - Cocktails to go
 - Ready-to-drink cocktails available at retail and through distributors



Federal Policy

- Increase in HB2 Visas by 65,000
- RRF Funding Pending - \$170 million still pending to be distributed
- EIDL relief
- ERTC still eligible



Upcoming Mid-Term Election

Early voting started Oct. 20 and ends Nov. 5

Election Day is November 8

On the ballot for North Carolinians

- One U.S. Senate Seat
- All 14 US House Seats
- Entire NCGA is up for election (170 seats)
- Two seats on NC Supreme Court

Preparing for Election Day

November 8, 2022

NCRLA engages in the election process by:

- Supporting candidates directly via the NCRLA PAC
- Supporting candidates with independent expenditures from the advocacy fund
- Raising money directly from members for legislative leadership



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