

Written Comments for the Pennsylvania Senate Community, Economic & Recreational Development Committee

Sept. 3, 2021

Chairman Yudichak, Chairwoman Cappelletti and members of the Senate Community, Economic and Recreational Development Committee, please accept the following comments for the hearing record.

My name is Mike Mitcham, and I am the Operations Director at Primanti Bros. I also serve as the President of the Western Chapter of the Pennsylvania Restaurant & Lodging Association. I am pleased to provide comments regarding support of SB 797 as it pertains to Allegheny County and our members that are based in that county. I do want to premise my remarks by clarifying that I do not speak for the entirety of the PRLA and its members that are in all 67 counties of this Commonwealth.

PRLA's members in Pittsburgh, Allegheny County and much of Western Pennsylvania embody what makes Pittsburgh truly stand out – the experiences and activities visitors can see and do only in Pittsburgh.

One such experience happens to be a Primanti Bros. sandwich. Visitors each day travel to our many locations to order one of our staple sandwiches, piled high with meat, cheese, french fries and slaw. Some would say no trip to Pittsburgh is complete without visiting a Primanti Bros. restaurant and ordering one of our iconic sandwiches.

This is just one very specific example of the unique Pittsburgh dining experiences that were halted because of the COVID-19 global pandemic. Due to health and safety concerns, restaurants and bars were forced to close or adjust their business strategies to survive an incredibly difficult period.

The COVID-19 global pandemic completely upended hospitality and tourism throughout Allegheny County.

Consider this. According to data released by the PA Department of Community & Economic Development in February 2021, nearly 44,000 residents made a living in tourism in 2019. Unfortunately, by the end of 2020, about 34% of the Pittsburgh metro area leisure and hospitality jobs – roughly **41,400** jobs total - were eliminated. Though promising signs continue to emerge, total leisure and hospitality employment in the Pittsburgh MSA is **82.5% of 2019 levels**, behind the national average of 89.0%.

More than just jobs were lost over the last 19 months. When you factor in the many business meetings and events, sports competitions, leisure festivals, cultural performances and so much more, you are staring down a staggering economic loss, with Tourism Economics (a division of Oxford Economics) estimating the economic loss for Allegheny County's tourism economy in 2020 was \$3.6 billion.

Now is the time to strengthen the Pittsburgh travel brand. Now is the time increase funding for tourism marketing and development in Allegheny County.

The amendments to the existing Neighborhood Improvement District (NID) legislations, put forward by Senator Robinson, would help strengthen Allegheny County's position as a leisure, business and sports events destination. The marketing funds generated through the Allegheny County Tourism Improvement

District (TID) would help amplify those only in Pittsburgh experiences and adventures visitors have grown to love and expect.

Thankfully, confidence in travel continues to return. According to Longwoods International, as of late August 2021, 88% of Americans still report having travel plans in the next six months. Competition between destinations is fierce, with each hoping to stand out from the pack and grab its share of travelers.

There are currently 190 active TIDs nationally, with Boston just launching its TID last month. As of today, there are only three active TIDs in Pennsylvania. The lack of a TID puts our county at a competitive disadvantage.

The proposed district has strong support from the Pittsburgh hotel community and a shared knowledge among all hospitality and tourism businesses that the funds raised will be directed right back into our community for our benefit.

A TID is industry initiated, managed and approved. It will bring stability to Allegheny County. and it will go a long way toward inspiring travelers to visit Pittsburgh, meet our neighbors and try our tasty sandwiches.

As you consider this legislation in its current form or any changes to it, the Pennsylvania Restaurant & Lodging Association stands ready to provide feedback and amendments as needed to this enabling Neighborhood Improvement District legislation and others you may consider in the future.

Thank you,

A handwritten signature in black ink, appearing to read "M. Mitcham", with a horizontal line extending to the right from the end of the signature.

Mike Mitcham
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