

## Recap of the East Town Business Partnership Business Forum Supporting and Rebuilding Hospitality Related Businesses During a Pandemic

([https://zoom.us/rec/share/sgOr\\_zhpUvXHC9xtWhClzvxCisHcmTH0Qn6wrPPdXqibrqj5FIXNwY6FNjZ6mpAL.K4HWHTKcg2r7Xbbg%20](https://zoom.us/rec/share/sgOr_zhpUvXHC9xtWhClzvxCisHcmTH0Qn6wrPPdXqibrqj5FIXNwY6FNjZ6mpAL.K4HWHTKcg2r7Xbbg%20),

Passcode: %2004ieMc&W)

November 19, 2020, 11:00 a.m. – 12:00 p.m.

Via Zoom Conference

### I. Welcome and Announcements

In the absence of President Carina Aleckson, Executive Director Dan Collison welcomed everyone to the ETBP November business forum on this beautiful day amidst another round of challenges and explained the ETBP is a collaborative that's been around for 40 years, renamed itself over the years to bring together the beautiful neighborhoods of Elliot Park and Downtown East that have worked together for many years to advance a sense of inclusiveness and broad economic growth in all parts of the East Town district (<https://easttownmpls.org/about/>). Then he announced:

- The panelists today are some of the important voices that are leading the way and shaping broader organizational work in the restaurant- and hospitality-related businesses especially during this pandemic. Because the East Town area is a big-time host to many visitors and a growing residential population, this is a critical issue.
- Please note our next business forum on *Getting Clarity on the Economics of COVID-19 with the Federal Reserve Bank of Minneapolis* is on Wednesday, December 2nd and is in partnership with the Minneapolis Downtown Council (<https://easttownmpls.org/please-register-for-the-etbp-mdc-business-forum-on-december-2-at-11-a-m-via-zoom/>). The featured speaker is Ron Wirtz, Regional Outreach Director (<https://www.linkedin.com/in/ronwirtz/>).
- Holidazzle 2020 will be virtual (<https://www.holidazzle.com/2020/>) instead of in Loring Park. It will include small businesses he's worked with through *Chameleon Shoppes* (<https://www.chameleonconsortium.com/shopping-spree/>), and other downtown experiences.
- Mill City Farmers Market' Winter Market returns this year on select Saturdays in November 2020 through April 2021 (<https://millcityfarmersmarket.org/visit/>). Please stay engaged and help support our local farmers.
- The Farmers Markets of MPLS, a collaborative of farmers markets in the city, is hosting a clothing drive at the November and December markets (<https://farmersmarketsofmpls.org/winter-markets/>).
- For more information about our neighborhood associations within the East Town district:
  - Visit <http://www.thedmna.org/> for the Downtown Minneapolis Neighborhood Association's Board and Land Use Committee meeting dates.
  - Visit <https://www.elliottpark.org/> for Elliot Park Neighborhood, Inc.'s Board and Building, Land Use and Housing (BLUH) meeting dates.
- For more information about virtual Coffee with Ward 3 Council Member Steve Fletcher, visit [https://www.facebook.com/MinneapolisWard3/events/?ref=page\\_internal](https://www.facebook.com/MinneapolisWard3/events/?ref=page_internal). They are now on Thursdays at 5:00 p.m. and can be accessed on Microsoft Teams or by phone at 612-276-6670.
- For help in navigating City Hall with your business questions, visit the Minneapolis Business Portal at <https://business.minneapolismn.gov/> which is designed to connect entrepreneurs and small business owners to the information and resources needed to plan, launch and grow a business.

You can also visit the Small Business Team at <http://www2.minneapolismn.gov/cped/ba/SmallBusinessTeam/index.htm> or 612-673-2499 (BIZZ). They are partnering with Hennepin County on relief for small businesses including restaurants and event venues (<https://www.hennepin.us/economic-development/programs/Emergency-relief/>).

### II. Supporting and Rebuilding Hospitality Related Businesses During a Pandemic

After Collison explained the format for the panel discussion, he advised Cyndy Harrison is a member of the ETBP Board, owner of Sawatdee Thai Restaurant (<https://www.linkedin.com/in/cyndy-harrison-b1a8b54/>), the first Thai restaurant in the five-state area

(<https://www.sawatdee.com/our-story>), and an incredible leader and businesswoman who cares deeply about inclusion in businesses. He's proud to have her on the Board, have her business in East Town, and have her curate this panel.

Harrison thanked the ETBP for having her and the three panelists present on this timely topic. The first presenter will provide an overview of the pandemic's impact on the U.S., Minnesota, and MSP metro economy, and then the restaurateurs will all talk about what they've been doing since the pandemic started, what their anticipation is for the future, and what can the public do to support them (visit the Zoom link above to hear detailed comments).

- A. Audrey Lucas, Senior Partner at McKinsey & Company and Managing Partner of the Minneapolis office (<https://www.mckinsey.com/midwest/our-people/audrey-lucas> and <https://www.linkedin.com/in/audrey-lucas-68162818/>), described what they believe are the few dimensions that are most going to define the economic recovery at all levels, i.e., virus spread and public health response (y axis), and knock-on effects and economic policy response (x axis) as of October 2020.
- B. Dennis Monroe, Attorney at Monroe Moxness Berg, Founder of the Downtown Group, and Co-owner of Eastside and Grand Café (<https://mmlawfirm.com/our-team/dennis-l-monroe/>, <https://www.linkedin.com/in/dennismonroeesq/>, [https://www.foodservicenews.net/article-archive/fsn-update-downtown-minneapolis-restaurants-look-for-safety/article\\_673e5550-1dff-11eb-9a07-fbd92aa87db5.html](https://www.foodservicenews.net/article-archive/fsn-update-downtown-minneapolis-restaurants-look-for-safety/article_673e5550-1dff-11eb-9a07-fbd92aa87db5.html)), amusingly noted he keeps practicing law because he invests in and own restaurants so he has to be able to fund the losses. Then he described four elements a restaurant needs to go through that they're trying to implement at the 8,000 square foot Eastside: (1) issue food on demand, i.e., carry out, delivery; (2) develop and leverage your brand; (3) be transparent with employees so they understand your financial position and provide incentives to participate; and (4) have as many variable costs as possible and keep fixed costs down.

At Eastside they had a fairly high check average, and it was dedicated to larger groups oriented to the business community, travelers, and robust private dining, none of which fits anymore. They decided to close the inside and have been doing several different kinds of fast casual concepts, boxes which has been successful, and meal kits. They branded Eastside and Grand Café together under Chef Partner Jamie Malone. They're in the final plans to start construction after the first of the year to convert into three concepts with unique menus using a wood burning oven: pita Mediterranean; pasta; and TBD; it'll be truly fast casual with a bar, the trend according to QSR magazine (<https://www.qsrmagazine.com/consumer-trends/5-restaurant-trends-have-defined-covid-19>), plus a little retail section focused on the neighborhood. They're looking at the East Town residents and bringing the food to the businesses. That's the model and they'll try to replicate it in other locations.

Then he described how the Downtown Group was formed about 2 months ago. Out of frustration, he reached out to 20 to 30 urban restaurant people and had a Zoom call, and they formed three groups to tackle the following issues: safety, marketing, and legal. They've met with Council Members Steve Fletcher and Lisa Goodman, Mayor Frey, Police Chief Medaria Arradondo and they've made progress. They've also looking at possibly pulling together a fund that will be contributed to by downtown businesses. They're also involved with testifying in the budget process as they recognize the issue of police reform. For restaurants to survive, they have to get through COVID and provide a safe environment.

- C. Edward Hopkins, President of eagleBOLTbar (<https://www.linkedin.com/in/edward-hopkins-0715aa48/> and <https://www.lavendermagazine.com/our-scene/oh-hes-a-jolly-good-eagle/>), explained before he opened the bar, he didn't have any experience in the bar industry; however, the work he did beforehand for 10 years he saw a lot of books and records of these types of businesses so he thought he had a handle on how to look at businesses he wanted to buy. He ended up being lucky moving into a space that was the Mill Inn before he purchased it, operated it as the Minneapolis Eagle, and then as the eagleBOLTbar when he bought the adjacent building.

Hopkins then described what they've been doing since the pandemic forced them to close down in March, what measures they took to reduce the risk of exposure to staff and patrons prior to reopening on June 12th, and how adhering to strict protocols has had an economic impact on their business.

At this point they are closed until the pandemic is brought under control, the vaccine is widely distributed and used, and government restrictions are lifted. He loses less money being closed than he would being open. When they do reopen, he hopes the City works with him again to allow him to use his parking lot. For now, he hopes to plan to accurately ride out the winter and spend time reinventing and remodeling to be to serve the people in the area again.

D. Harrison first gave a brief history Sawatdee; she oversees three of their five locations: Minneapolis, St. Paul, Maple Grove. Then advised being an Asian restaurant, they were aware of things happening back in 2019, and heard from other Chinese restaurants that they were suffering because people didn't want to eat Chinese. They also were aware because they had staff traveling to Thailand who were quarantined and not allowed back to work in 2 weeks back in December and January. At the same time they had no idea what it would be like when it came here so when it became clear the Governor was going to shut down indoor dining, she did everything she could do as quickly as possible.

They're lucky that Thai is a popular takeout and delivery food; it's the Top 5 item in all food ordered from restaurants. Prior to COVID they'd been doing delivery for 15-20 years with their own drivers. That changed about 2 years ago when all these third-party food delivery services were popular, and she couldn't hire a driver because they'd rather be independent. At that time, they switched to them because they have a much farther reach despite charging huge commissions to both the customer and restaurants. They were working exclusively with Bite Squad and DoorDash and then in March when everything started, she added Uber Eats and Grubhub. They have four platforms, but they prefer online delivery.

She instituted all the COVID protocols, e.g., ordered face masks when they were hard to get, cloth made from Thailand, shields and plexiglass; instituted more cleaning, temperature checks and questionnaires for staff, social distancing; eliminated hosts stations; and recently purchased a few of the extra-large air purifiers.

They did a ton of catering, 3 to 5 office caterings a week. In the last 8 months they've only had 3. They also do corporate events and weddings. All her summer weddings from last year were either cancelled or rescheduled. They had heavily invested in that model as the next thing; they stopped putting money into brick and mortar and enhanced the catering side because weddings are a huge market. They're still hoping that's going to be a great place to expand their business but not until 2022.

Things they've talked about to do moving forward, besides wedding events, is having a food truck. Although it's viewed as a steppingstone to brick and mortar, because of COVID it may be the way to go. Also, for the Minneapolis location they had planned a refresh in 2019, and now with the shutdown they'll be starting that project in December and ending in January; they'll still be open for takeout and delivery. During COVID they never closed, just switched to a complete takeout model.

How to support restaurants? For them is ordering direct is always best during the week instead of on Fridays, Saturdays, Sundays. And because of the holidays, a lot of restaurants are offering gift cards and deals.

Collison then invited questions for the panelists and commented it's been meaningful to hear their real and detailed stories; it's a unique opportunity for this larger constituency to get behind the screen of what it means to operate a restaurant and bar in East Town. ETBP will continue to promote its restaurant and hospitality partners to the downtown residents population across all channels, the latest being through its YouTube channel (<https://www.youtube.com/channel/UC4b1bfqlKn2K8MCiVzrDhLg/featured>), and the websites of the Downtown Minneapolis Neighborhood Association, Elliot Park, and other neighborhood associations in downtown.

### III. Closing Remarks.

Collison expressed gratitude for everyone being here today and their interest in the vitality of East Town. He hopes and trust they'll have a good Thanksgiving which is different than any living memory he has as a 52-year-old. We'll look to 2021 as a year of recovery and the ETBP will be with you all every step of the way.

Lastly, he reminded them of the next business forum on *Getting Clarity on the Economics of COVID-19 with the Federal Reserve Bank of Minneapolis* is on Wednesday, December 2nd.

### IV. Other Attendees via Zoom

Martha Archer, Mill City Farmers Market  
Jacquie Berglund, Finnegans, FINNovation Lab  
John Campobasso, Kraus-Anderson  
Tyler Chapman, Allodium Investment Consultants  
Robert Clapp, Bridgewater Lofts  
Rick Crispino, Bridgewater Lofts  
Dale Forsberg, Watson-Forsberg

Gena Janetka, Allied Parking  
Christie Rock Hantge, ETBP Staff  
Daniel Jacobsen, Pixelwerx  
Chris Johnson, Federal Reserve Bank of Minneapolis  
Andrew Kraft, The Bungalow Club Minneapolis  
Julia Lauwagie, Minnesota Adult & Teen Challenge  
Brian Maupin, Allied Parking  
Brooke Osell, Minnesota Adult & Teen Challenge  
Roger Raina, National Item Processing  
Frank Sherwood, CBRE  
Kelly Stenzel, Thrivent Financial  
Carletta Sweet, Downtown Minneapolis Neighborhood Association  
Al Swintek, CenterPoint Energy