

Local lawmakers push Gov. Murphy to reopen convention industry in Atlantic City

Nicholas Huba

ATLANTIC CITY — Restrictions from the COVID-19 pandemic halted the resort's \$1.9 billion convention and trade show industry in March.

Assemblymen Vince Mazzeo and John Armato, both D-Atlantic, are asking Gov. Phil Murphy to lessen restrictions to restart the resort's convention industry. Indoor gatherings are currently capped at 25% of capacity or 150 people.

Over the past five years, the city and Meet AC, the sales and marketing arm of the Convention Center, have focused on attracting more conventions to the resort.

After working to more than double hotel room sales in the resort over the past five years, the ongoing pandemic has caused a steep downturn, walking back that progress.

“Without the convention and meeting industry, the negative economic impact to both large and small businesses, including lost wages, will be devastating to the market and residents of Atlantic City and Atlantic County,” the assemblymen wrote in a joint letter Monday to the governor. “Atlantic City cannot afford to sit empty through the winter season, and certainly cannot afford the long-term impact of not being able to schedule conventions and trade shows for upcoming or future dates.”

The Governor's Office did not respond to a request for comment.

Representatives of Meet AC declined to comment on the issue and the letter.

Restrictions aimed at mitigating the spread of the coronavirus have already cost the region some of its biggest conventions, including the League of Municipalities, New Jersey Education Association, Northeast Pool and Spa, Police Security Expo and The National Sports Collectors Convention.

Around the country, the convention industry has taken a huge hit as COVID-19 precautions have limited gatherings in many states, including Nevada, which recently released a plan on how to reopen the convention industry in its state, and New Jersey.

The Nevada plan calls for a 250-person limit, unless the operators of the trade show submit a plan for 1,000 people. Their plan also calls for each area of the convention to have separate entrances and exits. Venue employees must be restricted to working no more than one area during an event, and shared use of restroom facilities, concessions, merchandizing and amenities should be minimized.

Growth plummeted in the industry nationwide and all but stopped in the second quarter as practically no in-person trade shows took place, according to a second-quarter report by the Center for Exhibition Industry Research.

“About 88% of events originally scheduled in the second quarter were canceled; the remaining 12% of events were postponed and some of those events may eventually be canceled as well. In comparison, inflation-adjusted GDP dropped 9.5% from a year ago (or declined at an annual rate of 32.9% from the previous quarter),” according to the report.

Michael Chait, president of the Greater Atlantic City Chamber, said the chamber has been talking with state officials about increasing indoor capacity in order to reopen the convention industry.

“The midweek convention industry carries us through the late fall, winter and early spring,” Chait said. “We are having discussions about protecting the conventions that are scheduled for January.”

The restaurant industry also is feeling the impact of the lack of conventions, Chait said. During conventions, clients use the city’s restaurants to hold lunch meetings and dinner parties.

“It’s trickle-down economics,” said Chait of the impact of conventions on hotel, restaurants and retail businesses in the city.

Robert Tarby, director of trade shows and special assignments for the Eastern Atlantic States Regional Council of Carpenters, said the convention industry being on hold has had a dramatic impact on the area’s workforce.

“Our union has partnered with contractors and venue managers to develop a plan that will help our industry through this pandemic and also create a standard that the rest of the country can follow,” Tarby said. “As restrictions on New Jersey restaurants are eased, it is now time to take a look at the Atlantic City convention industry. A safe reopening would have a great impact on local workers, but also the opportunity for Atlantic City to become the leader in promoting a safer convention industry.”