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Lexington Businesses Look Forward to a More Normal Summer

By Teddy Jacobsen

LEXINGTON - Lexington businesses expect a more typical summer as the city returns to a pre-pandemic state and the COVID-19 setbacks continue to disappear.

After an underperforming year in 2020, the city began to see signs of economic recovery from the pandemic this past year. Lexington's 2020-2021 Comprehensive Annual Financial Report found that restaurant food taxes increased by 7.5 percent or \$103,174, and hotel and motel taxes increased by 10.6 percent or \$45,468.

Trevor Stores, who is the bar manager for Blue Sky Bakery's new bar, said spirits are rising and businesses are eager to welcome guests and tourists in a more normal setting.

"Since COVID has gotten a little more under control," Stores said, "I think people are tired of sitting inside and just want to come out."

The city of Lexington's economy took a sizable hit in March of 2020. Washington and Lee University and Virginia Military Institute sending their students home for the year and stay-at-home orders basically halted the city's otherwise busy schedule. Stores said everything shut down practically overnight.

"It was just empty, morbid, depressing, quiet, all of those things," Stores said in an interview.

The 2019-2020 financial report found that restaurant food taxes decreased by nearly nine percent and hotel and motel room tax decreased by over 23 percent the summer after the initial outbreak.

Businesses had to adapt to the restrictive changes or face the possibility of going out of business. Thankfully, most places found ways to continue conducting business in unique ways. Stores, who formally worked as a bartender at Southern Inn Restaurant, said the restaurant did takeout orders exclusively for a while that first summer in order to keep business going.

Since he's been at Blue Sky Bakery, Stores said they also had to get creative when it came to dealing with the restaurant capacity restrictions. He said they used the, then unopened, bar as extra seating space for guests during that time. Stores was also thankful Blue Sky has outdoor seating to use as well.

Caleb Petrauskas, who works the front desk of The Gin Hotel, said one of the biggest restrictions the hotel faced came with breakfast. He said they usually can serve a hot breakfast where guests can congregate in a seating area. But during COVID, Petrauskas said the hotel had to shift to a less communal, "grab-and-go" method.

Petrauskas also said one of the most noticeable declines the hotel saw was the lack of tourists coming during the middle of the week. And of those weekend visitors, most came in big groups as opposed to a variety of groups and individuals.

The city saw steady economic growth over the past decade up until the pandemic. While the 2020-2021 financial report found that numbers are not quite back to the normal levels from before the pandemic, the increases in tax revenue from 2020 to 2021 look promising.

The positive numbers do not fully absolve Lexington of the changes perpetuated by the pandemic, however. Mask mandates are still in place for many businesses' employees. Stores said Blue Sky required their workers to be vaccinated as well.

Stores and Petrauskas also both said some businesses are having trouble finding employees after many were laid off at the beginning of the pandemic.

"Places are still struggling to get their hours back because they have no one to work those hours," Stores said.

Regardless, Stores and Petrauskas are both eager for the summer tourist season. Stores sees the opening of the new bar as a sign of normalcy and progress after a tough couple of years.

Petrauskas said The Gin Hotel plans to open back up their restaurant by the end of spring as the hotel's owner, Ugo Benincasa, continues to make many renovations to restore the historic building.

The hotel also has multiple weddings and other tourist events booked throughout the summer months, which Petrauskas said should reflect a much more typical downtown Lexington scene.

"A lot of people want to travel, more so now than ever," Petrauskas said.

Tax Revenue in Lexington, Virginia

