

[UPBEAT MUSIC]

NINA MOINI: A local research group is out with new numbers on the cost of the federal government's Operation Metro Surge earlier this year. An analysis by North Star Policy Action showed the state's leisure and hospitality sector lost more than 4,000 jobs during the first three months in the year.

It also estimated a loss of more than \$70 million in wages during that time. Here to explain those numbers is the organization's research director, Aaron Rosenthal. Thanks for being with us, Aaron.

AARON Thanks so much for having me, Nina.

ROSENTHAL:

NINA MOINI: We're also really glad to be joined by Trung Pham, owner of Pham's Deli at the Midtown Global market in South Minneapolis. Thanks for taking time with us this afternoon, Trung.

TRUNG PHAM: Yes. Thank you so much for having me.

NINA MOINI: I'd love to start with you, Aaron. When people hear these numbers coming out, it's always good for people to understand what went into finding those numbers and what that process was like. And so I'd love to talk a little bit with you just first about what findings stood out to you the most in this analysis.

AARON Yeah. So our focus here was on the leisure and hospitality sector in Minnesota in the first three months of 2026, **ROSENTHAL:** which, of course, represents restaurants, hotels, arts, and recreation. The top-line findings here are in those three months, the industry lost 4,600 jobs, again, just because of Operation Metro Surge, that we saw almost 4 million fewer worker hours during those three months. And ultimately, as you said, that translates into over \$70 million in lost wages for those workers.

NINA MOINI: And can you talk a little bit about the process of gathering this data and then the analysis that went into it?

AARON Yeah. So the data is the Bureau of Labor Statistics' current employment statistics data. It's the same data that **ROSENTHAL:** produces the monthly jobs report data that we hear so much about.

The hard part is really finding the comparison, right? We can see, for example, that Minnesota's hospitality jobs dropped. But that doesn't tell you it's because of Operation Metro Surge. It could be seasonal patterns or a slowing economy, something like that.

What we did is basically build a statistical version of Minnesota, a synthetic Minnesota that takes a weighted average of other states, where their hospitality industry looked just like Minnesota's in the months leading up-- actually, the months and years leading up to the surge.

And then we compare real Minnesota to that statistical twin for the first three months of 2026. And the gap between the two becomes our estimate for how much harm we can attribute specifically to Operation Metro Surge.

NINA MOINI: Trung, I'd love to bring you in. You've owned the deli there in South Minneapolis for 20 years. That's amazing. Can you tell me a little bit more about just what the community is like there at Midtown Global Market, for people who are not from the area or haven't visited? What is it like, and what is it like today?

TRUNG PHAM: Yes, absolutely. And thank you so much for that. Yes, we were one of the first tenants to open in the Midtown Global Market 20 years ago, pretty much to the date here.

NINA MOINI: Wow.

TRUNG PHAM: So we survived a lot of upturn and quite a few downturns along with that. As far as the community within the Midtown Global Market and also South Minneapolis, it has been a tremendous support for the community to support, to make the market thrive to the way it is now.

I mean, certainly a lot of the downs that we have experienced, every time we have that down, I'm pretty sure that the South Minneapolis community do not want that Midtown Global market to go away. So I guess when they said any news is good news, so especially when there's bad news, the community really come out to support us to continue the fight to keep the market going.

NINA MOINI: And Trung, how are things now? I mean, how do you begin to try to close the gap of the last few months or so? Or how is your business doing at this point?

TRUNG PHAM: Sure. And for us and a lot of other small businesses along that corridor, it's not just the Metro Surge that affected us. It's really going back to the recession of 2008, which is a while back. But then what's really affected us also is the COVID, along with the George Floyd issues with the riot and the looting along the East Lake, which for US is still reeling from that effect.

And then in addition to that, we added on the Metro Surge. That's also put the pressure on a lot of the small businesses here. So it's not just one event that occurred. It's just a string of events that just added up for us. And we're just constantly feeling the pressure to a point where it's like, is it worth it anymore to keep this thing going?

NINA MOINI: Aaron, in terms of what recovery has looked like for Minnesota restaurants and what Trung is speaking to and hotels and other venues, what are you seeing, if anything, related to recovery? Was that part of anything that you're analyzing?

AARON ROSENTHAL: Yeah. So our analysis in the report that we put out was focused on that January-to-March time period. So the height of the surge is really January and February. What we saw in March was really a continuation of that same decline, that same harm being done to the leisure and hospitality sector. And so that's what our analysis shows.

We did not extend our analysis through April just due to the timing of when those numbers came out. April did show a slight recovery in the sector relative to those first three months. But we should understand even a slight recovery in April is not going to make up for the damage that was already done in January through March.

NINA MOINI: I understand North Star Policy Action does advocate for progressive policies in addition to conducting research. Who would you say this research is for? Are you running into any circles or any people who dispute the grand nature of the economic impact of that time? Or are you feeling like people understand that in that three-month window it was really tough? But what do you do about it now, especially as more time continues to accumulate?

AARON ROSENTHAL: Yeah. So I mean, I think if you listen to the legislative debate, unfortunately, there really was some questioning of people's lived experience. You have owners, restaurant owners like Trung, who are saying this really happened. We really did lose a lot of business during this time due to Operation Metro Surge.

That is, again, what our analysis is showing. I think for us at North Star, we believe that there was a real missed opportunity in the legislature to provide relief to the workers who were impacted during these three months and ongoing, who continue to be impacted.

So, look, there was a chance in the last legislative session to set aside relief funding. There will be another chance in 2027. I think our hope is to work from now until that legislative session starts to remind the people of Minnesota, our elected leaders, that this harm was real, that it was measurable, that it landed on workers, especially workers who were least able to absorb it, and that the state really needs to take the opportunity to help them out.

NINA MOINI: Trung, what do you think? What else is needed from leaders or people who hold the purse strings, so to speak? What is needed at this point and in the future, even?

TRUNG PHAM: Yes. So for example, during the COVID time, obviously, we have a safety net with the relief funding at that particular time. This particular time around, there's no safety net for us. And I appreciate the studies that are being done here to really recognize the financial impact that's affecting all of us across the board.

So from a political standpoint, politician standpoint, that's what we're asking for. It's like, is there any way to relieve, help us with some of the safety net here? And really, from our standpoint, we need to encourage the people, the folks to come out and visit and shop at our local retail shop.

For all of us, we work really hard. We are not asking for handouts. We're just asking for customers to come out and continue to support and buying from us.

NINA MOINI: Yeah, and to your point, Trung, that's what makes a business successful for 20 years. And Midtown Global Market, they're such an anchor in the community. And that's no small thing. So congratulations, again. Just before you go, just tell our listeners, if they haven't been, what they can experience at Midtown Global Market, what makes it so unique and what has made it last so long.

TRUNG PHAM: Absolutely. So we're a very unique place called Midtown Global Market. It's an indoor public market, so we house over 40-plus restaurants slash retail operation in the Midtown Global Market, which is a very unique to the Twin City.

It's a cultural diversity hub, which is you're looking at the Midwest and saying, wow, this place actually exists in Minnesota. It's a broad cultural and diversity hub. And then we really welcome the guests to come in and experience that culture and diversity.

The market provides a lot of free programming, cultural and diversity programming to the community. And it's free to the community. We do have a lot of events coming up. For example, here, we're celebrating our 20th-year anniversary. That's going to be a big art and music festival. We're celebrating along with that, and it's free to the community.

So we are welcoming all the people around the Twin City and outlying suburbs to come in and experience what South Minneapolis is really about and what the Midtown Global Market is really about.

NINA MOINI: And when is that celebration again?

TRUNG PHAM: I believe it's coming on June-- the weekend of June 20.

NINA MOINI: All right. So coming up.

TRUNG PHAM: Yeah.

NINA MOINI: All right. Thank you both. Thank you both. Really appreciate your time. That was Trung Pham, owner of Pham's Deli at the Midtown Global Market in South Minneapolis, along with Aaron Rosenthal, research director at North Star Policy Action.