



# Commission for Arts and Culture

## Advocacy & Outreach Committee

### Online Meeting

#### AGENDA

Hyperlink to view meeting is forthcoming and will be available [here](#)

Friday, February 18, 2022

10:00am–11:00am

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10:00 a.m.	I.	Call to Order	Tyler Hewes, Chair
10:02 a.m.	II.	Non-agenda Public Comment	Tyler Hewes, Chair
10:05 a.m.	III.	Chair's Reports	Tyler Hewes, Chair
10:15 a.m.	IV.	Presentations:	Christine Jones, Chief of Civic Art Strategies
		A. 2021 COVID-19 Impact Study on San Diego Arts and Culture Organizations	
		B. 2021 Impact of City-Funded Arts and Culture Organizations and Projects	
		1. Economic Impact Numbers	
		2. Arts and Culture Citywide Impact Map	
10:45 a.m.	V.	2022 City Council Outreach	Tyler Hewes, Chair
10:50 a.m.	VI.	Executive Director's Report	Jonathon Glus, Executive Director
11:00 a.m.	VII.	Adjourn	Tyler Hewes, Chair

Meeting will be aired live and recorded. PUBLIC COMMENT: Any member of the public may address the Committee on any subject in its area of responsibility on any matter not presently pending or previously discussed at the Committee. Pursuant to the provisions California Executive Order 29-20, Committee meetings will be held via teleconference until further notice. In lieu of in-person attendance, members of the public may submit their comments via a public comment [webform](#), or they may join the meeting as a "webinar attendee" at the link provided in the [Commission or Committee meeting website](#). For members of the public wishing to address the Committee under Public Comment via the [webform](#) prior to the meeting, instructions for word limitations and deadlines will be noted on the [webform](#). Pursuant to open meeting laws, no discussion or action, other than a referral, shall be taken by the Committee on any issue brought forth under non-agenda public comment. As required by the Americans with Disabilities Act (ADA), requests for agenda information to be made available in alternative formats, and any requests for disability-related modifications or accommodations required to facilitate meeting participation, including requests for alternatives to observing meetings and offering public comment as noted above, may be made by contacting the City Clerk at (619) 533-4000 or <mailto:cityclerk@sandiego.gov>. The City is committed to resolving accessibility requests swiftly in order to maximize accessibility.

# COVID-19 Impact on Arts and Culture

Presented to the Commission for Arts and Culture  
by the Nonprofit Institute, University of San Diego

December 2021

# Overview

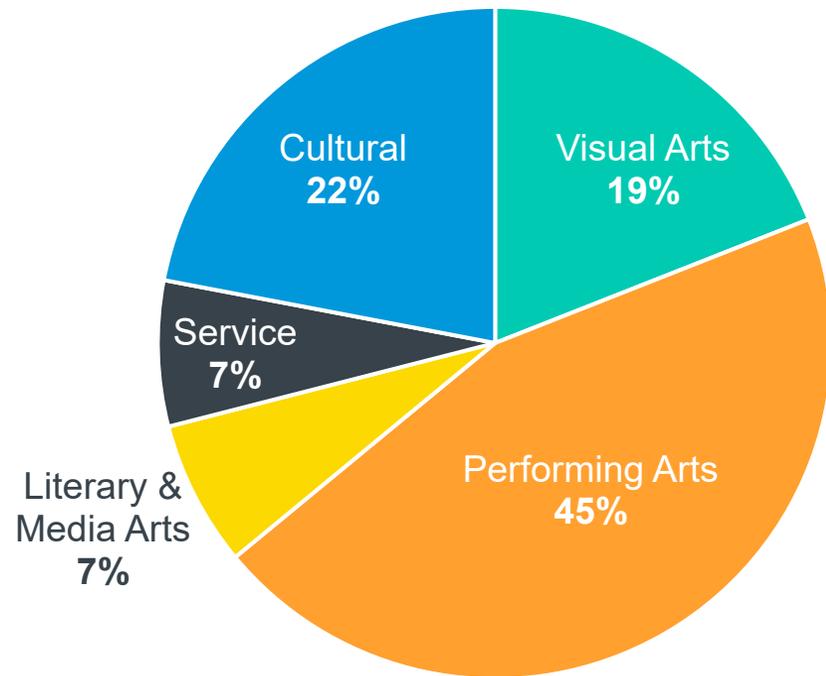
This deck presents topline results from an Arts and Culture COVID-19 Impact Survey conducted by the Nonprofit Institute in partnership with the City of San Diego Commission for Arts and Culture in 2021. Several key comparisons from a similar 2020 survey are included as well.

These results reflect organizational data for **124 Arts and Culture organizations** that provided information in fulfillment of their contracting requirements for FY 2021.

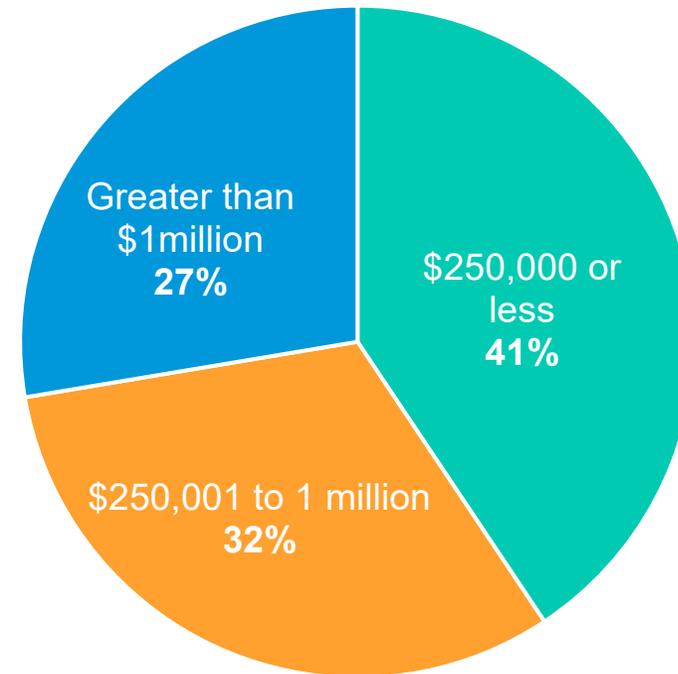
# Scope of Survey, 2021

- 63-question survey

**Figure 1. Percent of Respondents by Organizational Type**



**Figure 2. Percent of Respondents by Budget Size**



## Sample by Type and Budget Size

73% of the sample is made up of small to mid-size organizations.

Approximately 1/3 of the sample are small to mid-size performing arts organizations

	Up to \$250k	\$250k - \$1mil	Over \$1mil	Total
Visual Arts	13%	48%	39%	100%
Performing Arts	45%	31%	24%	100%
Literary & Media Arts	33%	33%	33%	100%
Service Organizations	22%	56%	22%	100%
Cultural	63%	11%	26%	100%

# 2021 Employment Snapshot

**77%**  
of organizations  
reported having at  
least 1 employee

	Pre-Pandemic	Today
Total Number of Employees	2,308	2,038
Full Time	1,142	980
Part Time	1,166	1,058
Range of Employees	0 - 234	1 - 276
Median Number of Employees	8	10

# Average Percent of Furloughed Employees Remaining Furloughed by Budget and Organizational Type

Budget Size	Average % of Furloughed Employees Remaining Furloughed
Small Organizations	40%
Medium Organizations	17%
Large Organizations	35%

Organization Type	Average % of Furloughed Employees Remaining Furloughed
Performing Arts	12%
Service	14%
Visual Arts	41%
Cultural	57%
Literary & Media Arts	58%

As a result of COVID-19, **572 employees were furloughed**. On average, organizations furloughed 6 employees.

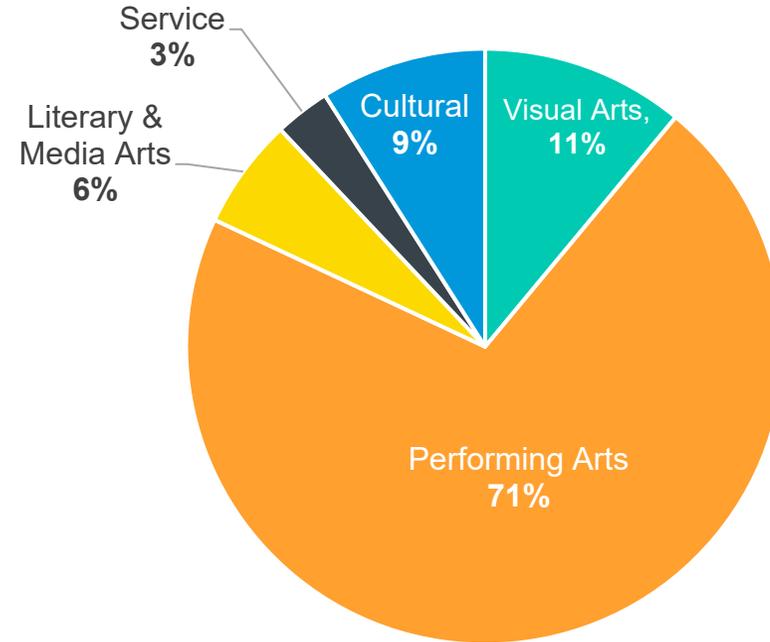
An average of **29% of employees remain furloughed**, but 46% of organizations said it was either somewhat or extremely likely they would be reinstated.

**117 employees were permanently laid off** in the 12 months prior to the survey as a result of the pandemic.

# Independent Contractor Breakdown

**86%**  
of organizations  
reported paying  
independent contractors  
to do program-related  
work.

**Figure 3. Percentage of Contracts by Organizational Type**



In the 12 months prior to the survey, **organizations hired a sum of 2,333 independent contractors.**

In the same time period, **830 contracts were cancelled** as a result of COVID-19. 51% said they were somewhat or extremely likely to be reinstated.

# Average Number of Contracts Cancelled by Budget and Organizational Type

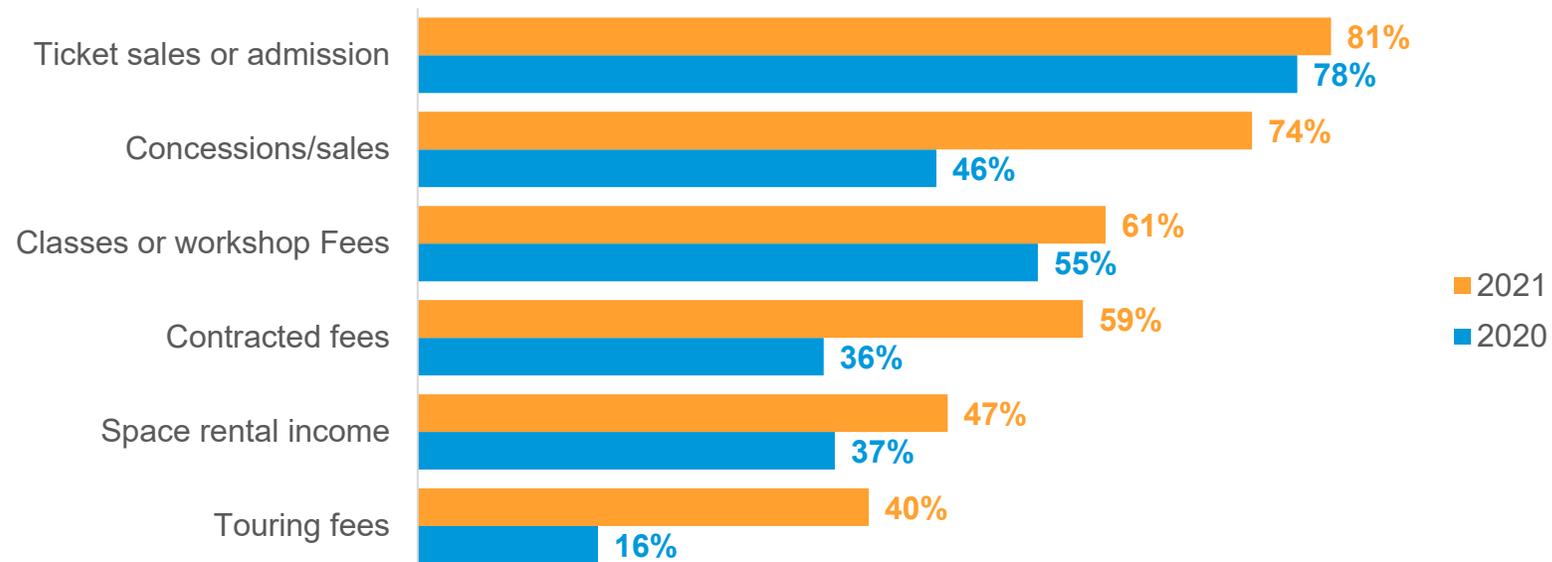
Budget Size	Average Number of Contracts Cancelled
Small Organizations	15
Medium Organizations	5
Large Organizations	1

Organization Type	Average Number of Contracts Cancelled
Visual Arts	2
Performing Arts	14
Literary & Media Arts	2
Service	0
Cultural	5

# Key Comparisons: Earned Revenue

2020 Program Revenue	2021 Program Revenue
95% of Respondents Reported a Loss	68% of of Respondents Reported a Loss
Range = \$600 to \$29 million	Range = \$2,000 to \$26.5 million
Total Reported Loss = \$79.4 million	Total Reported Loss = \$63 million

**Figure 4. Percentage of Organizations Reporting Sources of Lost Program Revenue in 2020 and 2021**



Loss of  
Earned Revenue  
in Past 12  
Months:

**\$63,220,492**

Earned revenue loss  
varied by organizational  
size and type.



Among Performing Arts and Cultural Organizations, **89%** experienced a decrease in ticket sales or admissions.



Larger organizations were more likely to experience a **loss in space rental income** than smaller organizations.

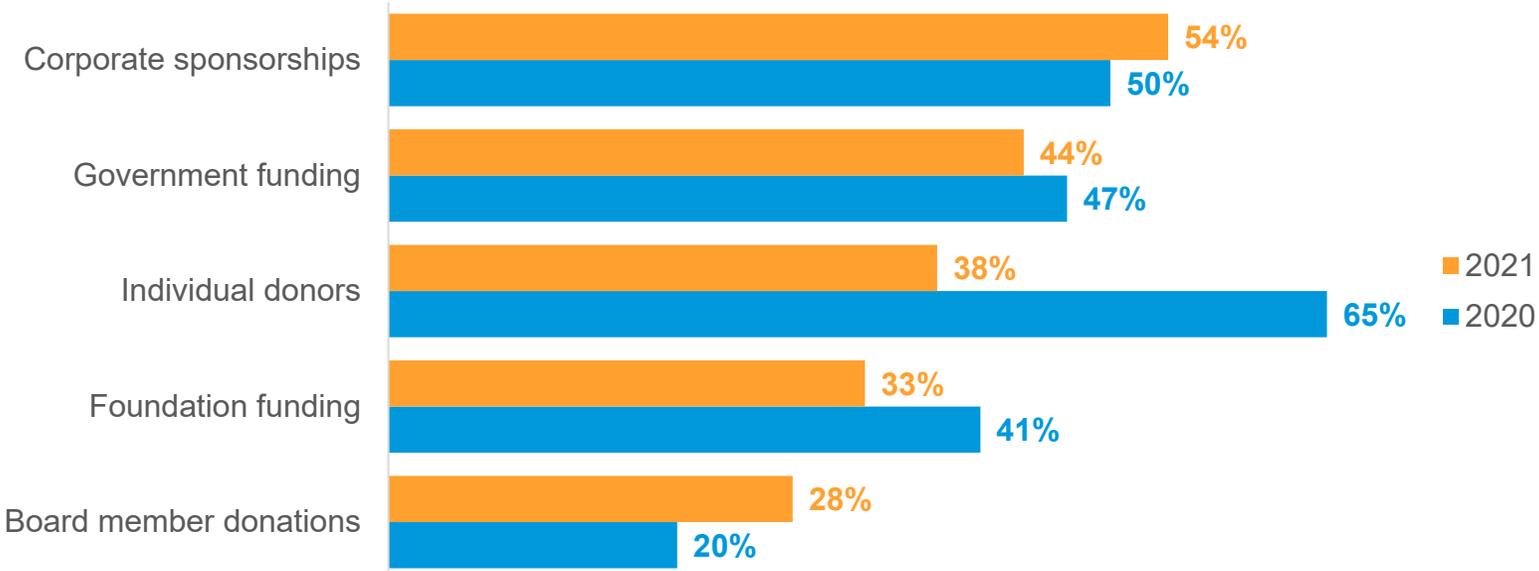


While 32% of all organizations reported no change in **revenue from workshops/classes**, **63%** of **Literary and Media Arts organizations** reported a decrease.

# Key Comparisons: Contributed Revenue

2020 Contributed Revenue	2021 Contributed Revenue
86% of Respondents Reported a Loss	59% of Respondents Reported a Loss
Range = \$600 to \$2.5 million	Range = \$251 to \$2.2 million
Total Reported Loss = \$17.2 million	Total Reported Loss = \$14.6 million

**Figure 5. Percentage of Organizations Reporting Sources of Lost Contributed Revenue in 2020 and 2021**



Loss of  
Contributed  
Revenue  
in Past 12  
Months:

**\$14,642,835**

Contributed revenue loss varied by organizational size and type.



**51% of small organizations** experienced a **decrease in individual donations** while only **27% of large organizations** experienced the same.



**42% of organizations with budgets over \$1m** experienced an **increase in board member donations**.



While **28% of all organizations** experienced a decrease in **board member donations**, **29%** experienced an increase.



While **38% of all organizations** experienced a decrease in **individual donations**, **41%** experienced an increase.

# Contributed Revenue Loss Variations Continued...



While 44% of organizations experienced a decrease in **government funding** and 53% experienced an increase, 78% of Literary and Media Arts Orgs experienced an increase.

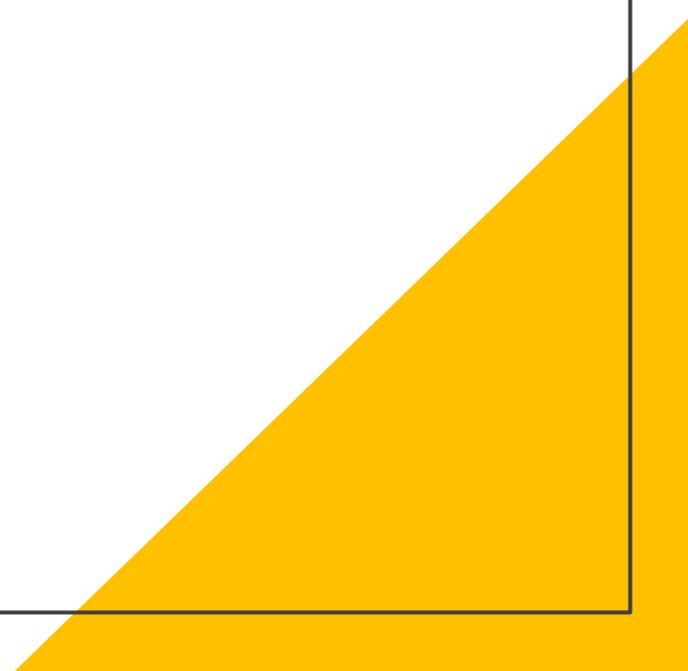


Similar percentages (equal thirds) all reported a decrease, no change, or increase in **funding from foundations**.

43% of Service organizations reported an increase and 56% of literary and media arts organizations reported the same.

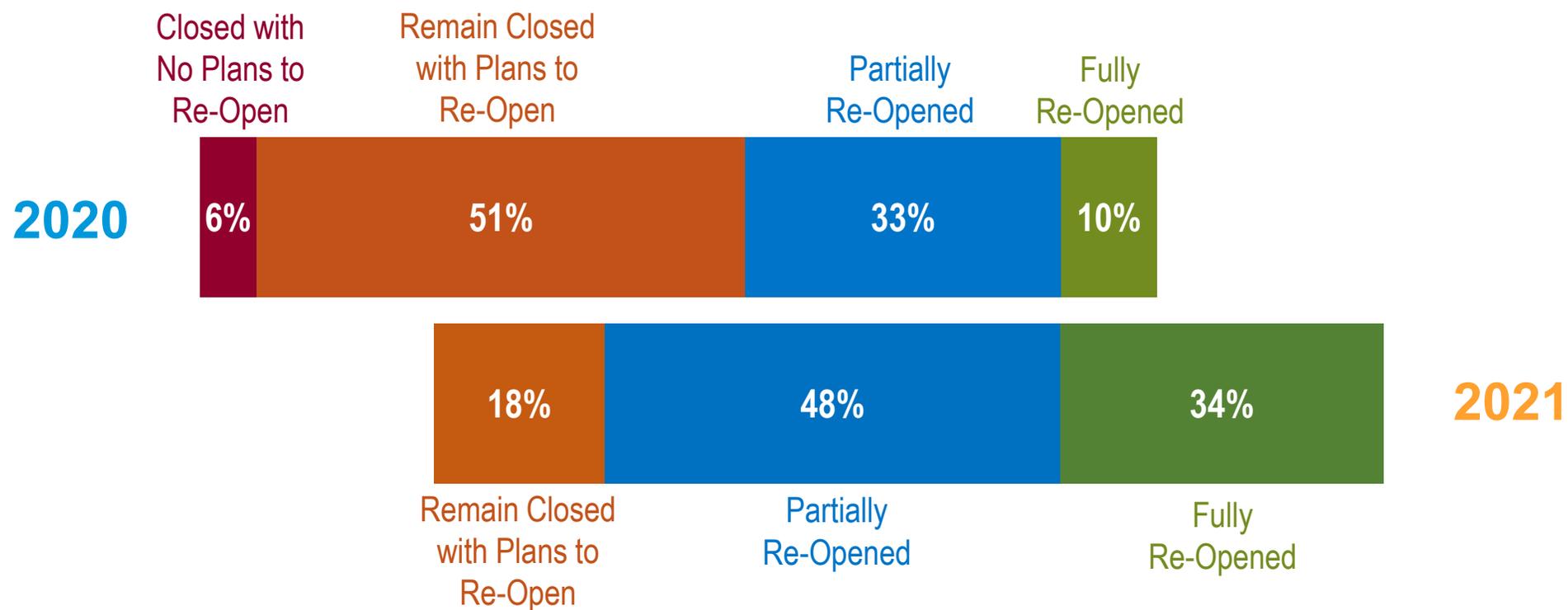
Total Revenue Lost  
(Earned + Contributed)  
in Past 12 Months =

**\$77.4 million**

A yellow right-angled triangle is positioned in the bottom right corner of the slide, pointing towards the top-left.

# Key Comparisons: Disruption of Services

Figure 6. Percent of Organizations Reporting Operating Status



# Current Operations *(as of August 2021)*

18% (n=22) of respondents remain closed with plans to re-open within the next 12 months

48% (n=58) are partially re-opened

34% (n=42) are fully re-opened

63% of organizations that are **still closed** are **Small Organizations**

46% of organizations that are **still closed** are **Performing Arts Organizations**

*“The uncertainty of the direction of the COVID crisis even at this late stage makes it hard to make concrete plans. We are moving forward and hope to resume producing events in Fall of 2021 and Winter and Spring of 2022.”*

*- Small Performing Arts Organization*

# Covid-19 Impacts on Programs

While organizations begin to offer more in-person services, online programming remains a viable option for the foreseeable future.

	Conferences / Meetings	Exhibitions	Festivals	Performances	Workshops / Classes
<b>In-person</b>	44%	69%	75%	70%	43%
<b>Shift Online</b>	8%	2%	2%	0%	5%
<b>Hybrid</b>	48%	28%	20%	26%	51%
<b>Cancel</b>	0%	2%	3%	3%	1%

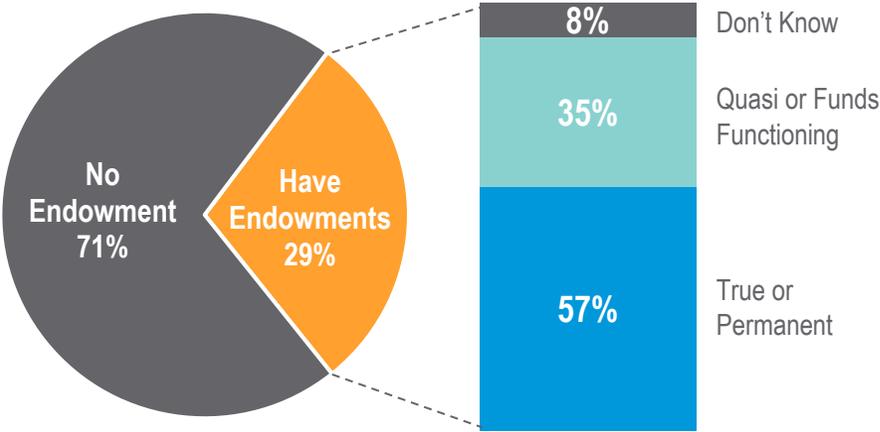
**94%** of organizations plan to **continue using online platforms** for the next 12 months

*“Though our online programming reached millions of viewers, we did not charge for most of them, so our earned income was significantly lower. We will continue to offer online programs and the option to view performances via video for those who are not yet ready or able to attend in person.”*

– Large Performing Arts Organization

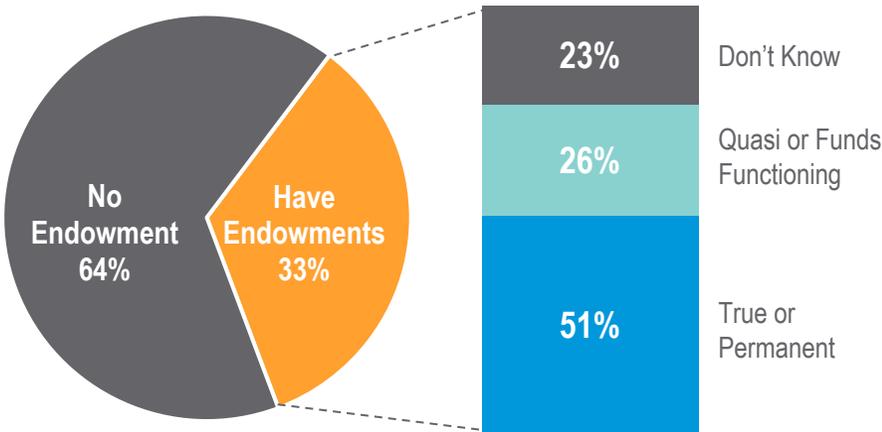
# Key Comparisons: Endowments

Figure 7. Percent of Organizations Reporting Endowments by Endowment Type in 2020



In 2020, **8 respondents** (22% of those with endowments) said they had **adjusted endowment draws** to address funding shortfalls caused by COVID-19.

Figure 8. Percent of Organizations Reporting Endowments by Endowment Type in 2021



In 2021, **8 respondents** (21% of those with endowments) said they had **adjusted endowment draws** to address funding shortfalls caused by COVID-19.

# Endowments: 2021

## A Potential Source of Revenue for Very Few Organizations

**33%** of respondents reported **having an endowment**

**65%** of the organizations with **budgets over \$1mil** have an endowment, while only **20%** with **budgets under \$1mil** have an endowment

Total reported **value** of endowments = **\$409,515,059**

**7 organizations** account for **nearly 91%** of total reported endowment funds.

**8 respondents (21%)** said they **HAD adjusted endowment** draws to address funding shortfalls caused by COVID-19

# Key Comparisons: Reserves

Figure 9. Percent of Organizations Reporting Having Cash Reserves in 2020



2020

Seventy-nine percent of respondents reported having cash reserves with a total value of **\$45 million**. Additionally, **59 percent** of respondents said they *had* drawn on cash reserves to address funding shortfalls caused by COVID-19.

Figure 10. Percent of Organizations Reporting Having Cash Reserves in 2021



2021

Eighty-three percent of respondents reported having cash reserves with a total value of **\$39 million**. Additionally, **54 percent** of respondents said they *had* drawn on cash reserves to address funding shortfalls caused by COVID-19.

# Key Comparisons: Emergency Relief

	% Applied	Funded	Amount Funded	Avg. Grant Amount per Org.
Economic Injury Disaster Loan (EIDL), 2020	31%	83%	\$2,671,300	\$80,948
Economic Injury Disaster Loan (EIDL), 2021	32%	94%	\$2,632,900	\$79,785
Paycheck Protection Program (PPP), 2020	71%	93%	\$24,457,100	\$287,731
Paycheck Protection Program (PPP), 2021	76%	98%	\$29,723,825	\$371,548
The San Diego Foundation Community Response Fund, 2020	15%	24%	\$55,000	\$13,750
The San Diego Foundation Community Response Fund, 2021	17%	53%	\$141,333	\$14,133
Small Business and Nonprofit Loan Program, 2020	11%	29%	\$514,500	\$128,625
Small Business and Nonprofit Loan Program, 2021	17%	74%	\$1,393,900	\$99,564
The Arts and Culture Challenge Fund, 2020	20%	80%	\$148,450	\$7,423
The Arts and Culture Challenge Fund, 2021	32%	69%	\$316,250	\$13,750

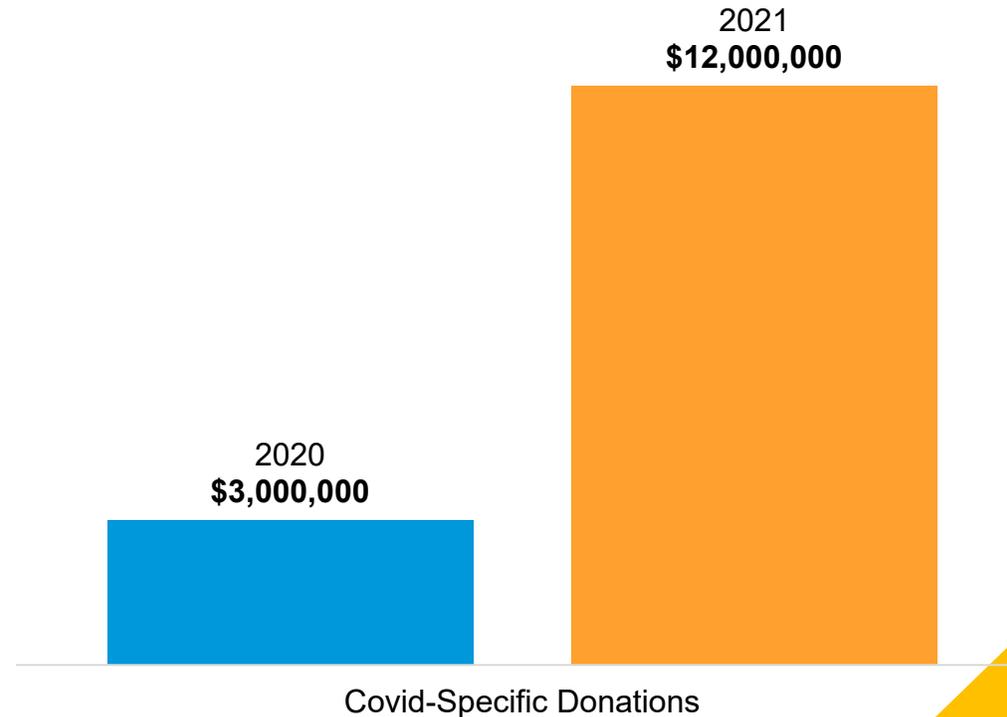
# COVID-19 Donations: 2021

26 organizations reported a sum of **\$9,563,328** in **solicited donations** in response to COVID-19

25 organizations reported a sum of **\$2,485,200** in **unsolicited donations**

The total sum of **COVID-specific donations** is **\$12,048,528** ranging from \$50 to \$9,847,301

Figure 11. Comparison of COVID-Specific Donations from 2020 to 2021\*



# Rent Relief

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Whether an organization received rent relief varied slightly based on organizational size and type.



Only 20% had their rent reduced or waived



36% of medium sized organizations had their rent reduced or waived



Only 8% of cultural organizations had their rent reduced or waived

# Estimated Costs & Actual Costs to Re-Open the Arts and Culture Sector

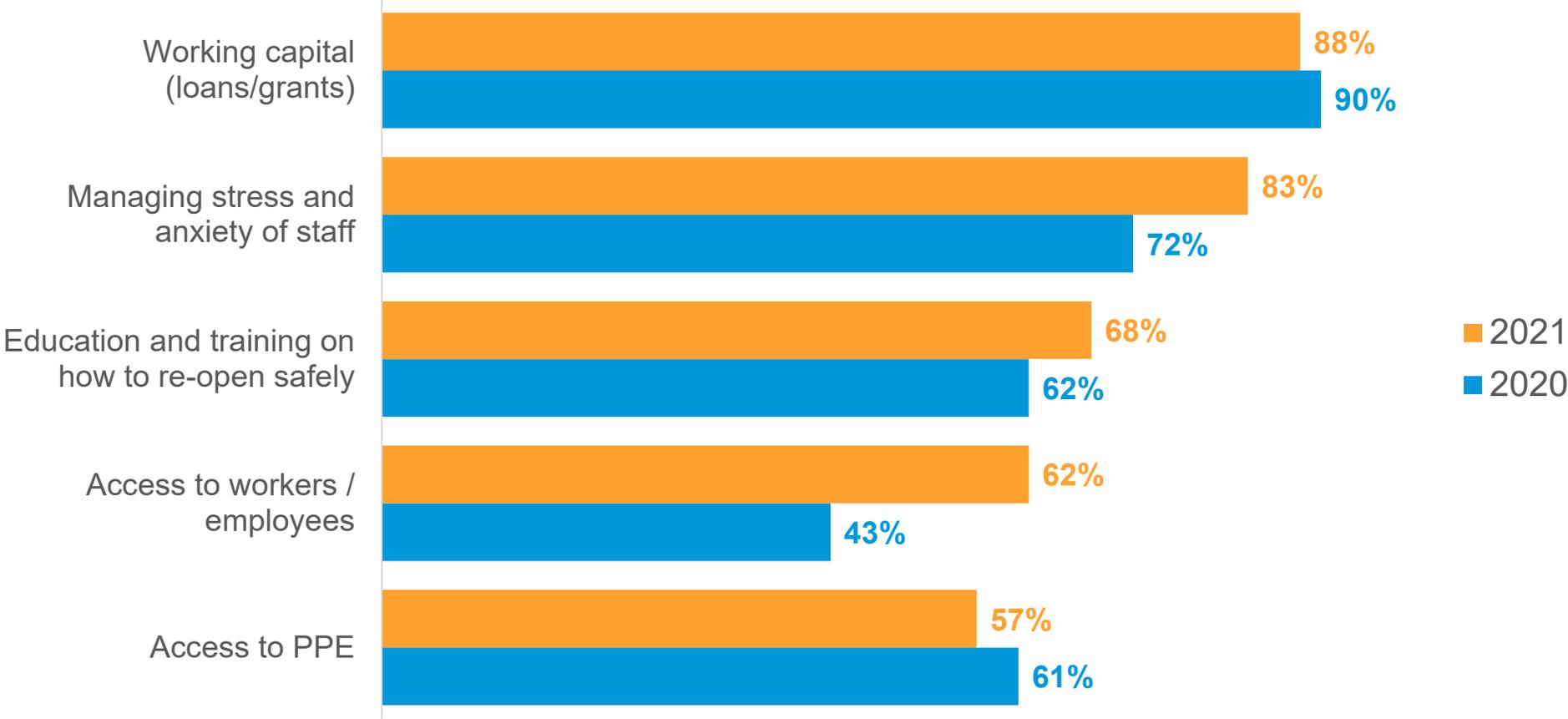
	2020 Projection	2021 Actual
Range of projected costs to reopen	\$0 – \$40mil	\$0 – \$2.8mil
Average Projected Cost*	\$627,824	\$63,480
Median Projected Cost	\$10,000	\$5,500

- Sum of **reopening costs** by the sample was reported as **\$5,205,479**
- 20 organizations who were not yet reopened projected another \$1,572,000.

*\*The 2020 over-projection of cost to reopen was possibly due to uncertainty around emergency relief funding.*

# Key Comparisons: Organizational Needs

Figure 12. Areas Where Organizations Report Needing At Least Some Support



# Challenges and Needs Regarding Reopening

	Reporting Very or Extremely Challenging
Concern about Potential Future Re-closures	59%
Guaranteeing Customer/Public Safety	43%
Customer/Public Not Returning	40%
Guaranteeing Employee Safety	34%
Shortage of Cash/Capital on Hand due to Closures	33%
Shortage of Volunteers	31%
Guaranteeing Volunteer Safety	28%
Shortage of Employees	23%
Lack of PPE	11%*

The top three areas reported as needing support to a Great or Very Great extent were:

- Working Capital (51%)\*\*
- Managing Stress and Anxiety of Staff (33%)
- Access to Workers/Employees (23%).

*\*\*44% of organizations reporting needing support with Working Capital to a Very Great extent were Small organizations.*

*\*51% of organizations reported being Not At All Challenged by Lack of PPE. However, all 4 organizations who reported being Extremely Challenged by this were small organizations.*

# Looking Ahead Toward Recovery: Staff Size

## Staff Size Over the Next 12 Months:

54% of organizations predicted it **would remain the same**

33% predicted it **would be larger**

13% predicted it **would be smaller**

Only **2% of organizations predicted layoffs** in the next 12 months

Predictions of changes to staff size varied by organizational size and type:

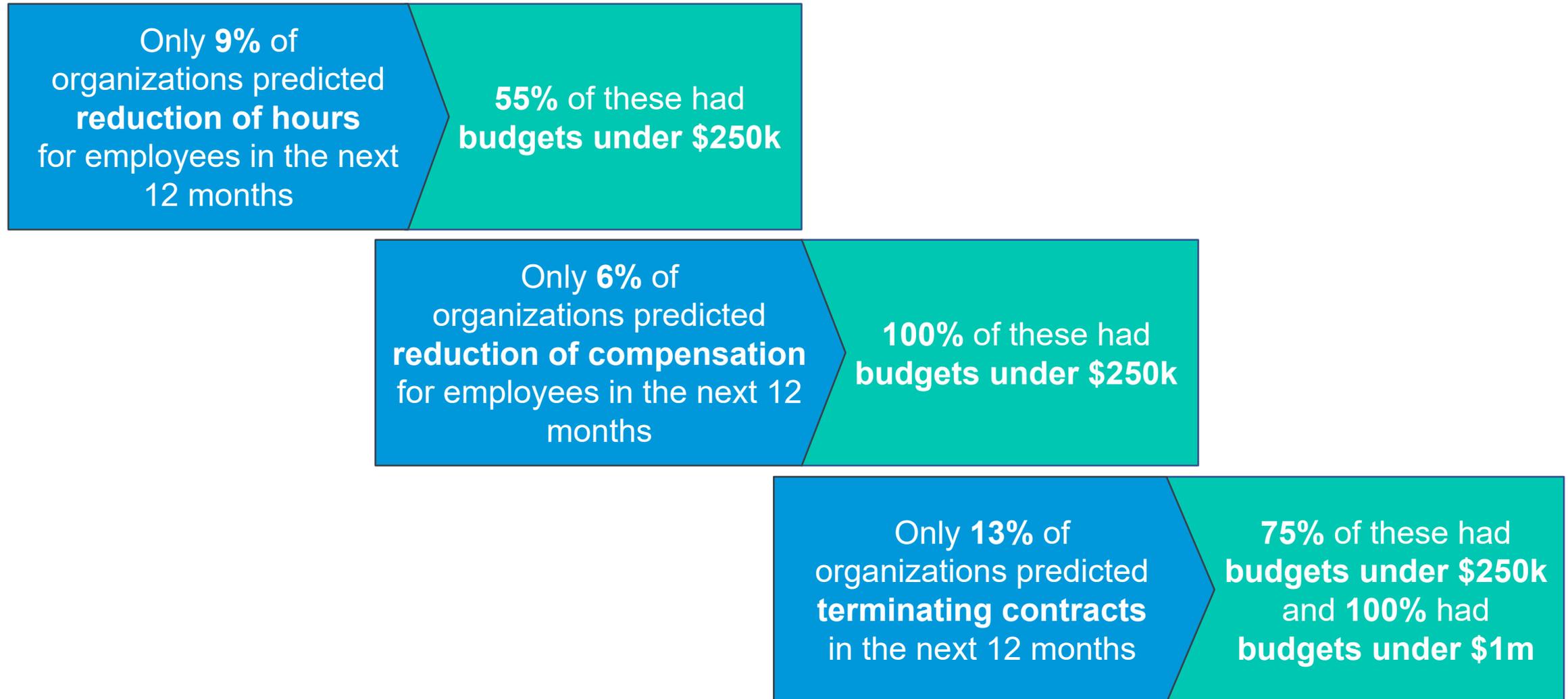
**71%**  
of **Literary and Media Arts** organizations projected their staff size **would remain the same**

**43%**  
of organizations projecting a **smaller staff size** in the next 12 months had **budgets under \$250k**

**79%**  
of organizations projecting a **larger staff size** in the next 12 months had **budgets over \$250K**

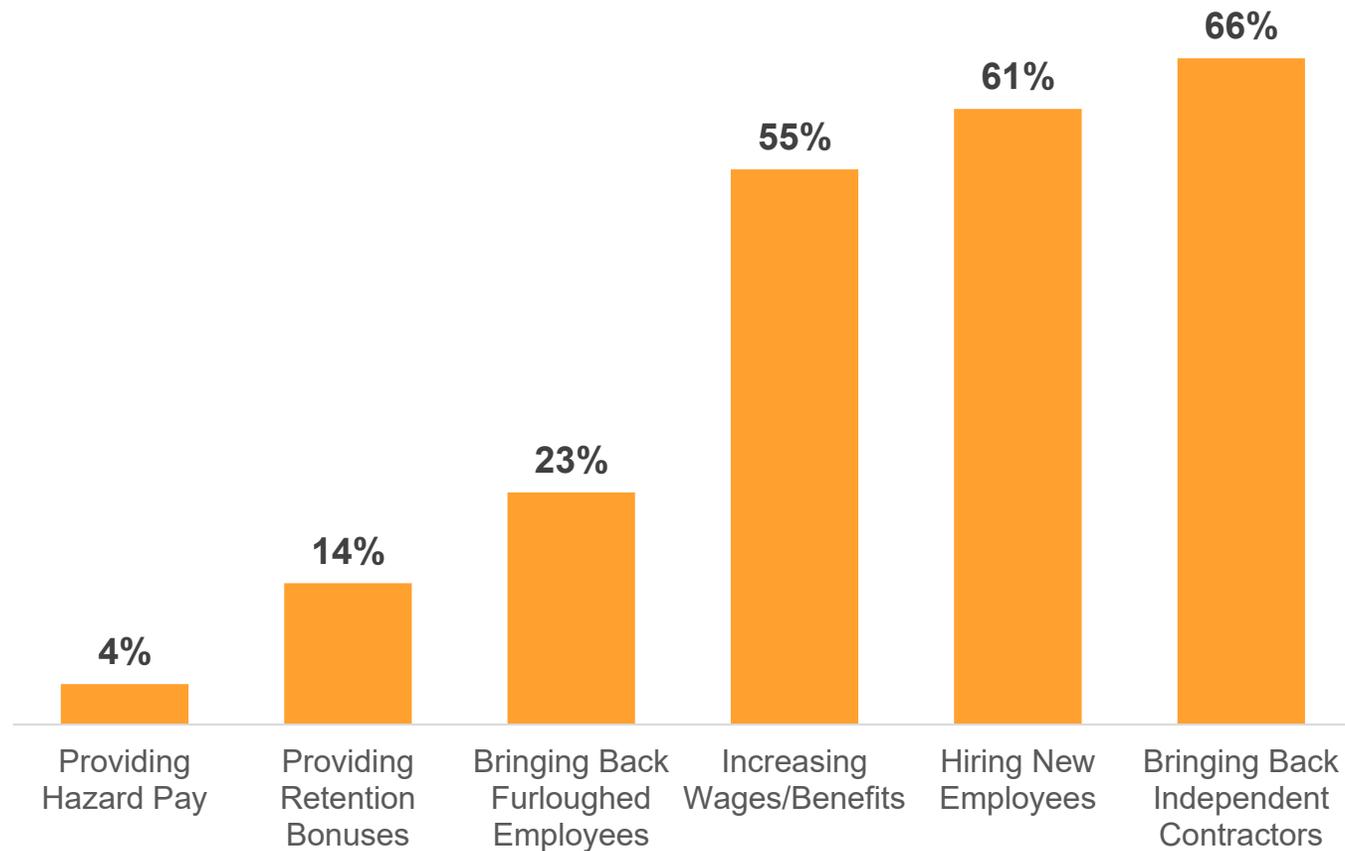
Only **1% of organizations predicted furloughs** in the next 12 months

# Looking Ahead Toward Recovery: Hours and Compensation



# Workforce Recovery Predictions

Percent of Organizations Predicting Recovery Efforts in the Next 12 Months



## Variations by Organizational Size and Type

- **70%** of visual arts organizations projected **hiring new employees** in the next 12 months
  - **94% of large organizations** (budgets over \$1m) projected **hiring new employees** in the next 12 months
  - **61% of medium sized organizations** projected the same and only **37% of smaller organizations** projected the same
- Only **31% of small organizations** projected **increasing wages or benefits** while **72% and 73% of medium and large organizations** respectively reported the same.

# Main Qualitative Themes

***Q: Is there anything else you'd like to share regarding reopening your organization after COVID-19?***

- **Programmatic and Fundraising Shifts** - As organizations look towards the rest of 2021 and into 2022, many expressed that they intended to keep programmatic shifts, such as hybrid services. Some shows or experiences are planned for in person but there are still virtual options. Even while some of the organizations were optimistic about the next phase of reopening, specifically in person, there are concerns about safety measures. These safety concerns include vaccination requirements e.g. how to confirm their status; mask mandate; continued cleaning procedures; and indoor capacity.
- **Motivation / Hope / Maintaining Organizational Strength** - Organizations who were unsure about the future expressed that there was a sense of hope and motivation to continue their programming and continue strengthening the organization. Staff are motivated to keep working and adapting their programming to serve the community.
- **Back Up Plans / Continuing to Change** - Though there was a high-level of hope expressed, this was also paired with a clear need for multiple plans as organizations don't feel 100% that we are in post-covid. The pandemic is still in full effect and their plans are continuing to evolve.

# Main Qualitative Themes

***Q: What else can you tell us about how shifting your activities to virtual and/or hybrid has impacted your organization (costs, audience, engagement, income, programming, etc..)?***

- **Programmatic Shifts - Innovation & Adaptation on Strategies:** Many organizations expressed that transition to virtual in the early days of the pandemic and more recently to hybrid has drastically changed their programming. For many, it was an opportunity to take on new strategies; adapt to challenges to serve their communities such as bridging digital divides; and others were able to expand who they connected too. Some organizations, especially performing or music organizations, expressed concerns that virtual platforms made it harder to effectively perform their mission.
- **Financial Resources - Loss of Revenue & Virtual Platform Cost:** With a transition to virtual (and hybrid) programmatic platforms, organizations expressed that they incurred additional costs for technology needed to provide virtual services. On the other side of transitioning to virtual, many organizations decided to offer their programs at reduced or zero cost resulting in a severe loss of programmatic revenue.
- **Community Engagement - Audience Size:** About half of the organizations expressed that as they expanded to virtual settings they lost their regular audience. This was accredited to zoom / virtual platform fatigue; supporters not wanting to see performances virtually; or heavy competition with other organizations outside of the region. On the other hand, many organizations stated they experienced an uptick in the audience participation from outside of San Diego and internationally.

# Main Qualitative Themes

***Q: Since you have indicated that your organization is open or partially opened, at what capacity have you reopened? Please describe to provide a picture of how you are operating (example: fully staffed, but 25% public capacity)***

- **Fully Staffed & Operating at 100% Capacity / Hybrid:** 39 organizations stated they were back to fully staffed and were operating at 100% capacity towards the public. Of these organizations, 8 expressed they were still operating in a hybrid capacity to ensure that all guests felt safe and were accessible. 32 organizations were operating between 50 -75%.
- **Part Time Staff & Operating at 50% Capacity:** 20 organizations expressed that they were only able to bring back a portion of their staff, including volunteers to run their programming. In addition to a limited staff, the opening hours and capacity for the public was limited to 50% of their pre-pandemic capacity.
- **Staff Working Hybrid:** As staff are brought back and organizations reopen their doors to the public, many organizations are still offering flexible hours to their employees. They are returning to the office in phased approach, have limited access to the office, or are coming in on a needs basis for in person programming.

# Main Qualitative Themes

***Q: Do you foresee any long-term structural changes to your organization due to the impact of the pandemic? (e.g., to your mission, programming and activities, workforce, marketing, etc.)***

- **Programmatic Adaptations** - Although resuming in person, many organizations expressed that they will continue with virtual access creating permanent hybrid model structure
- **Workforce Capacity and Structure** - Organizations have expressed rethinking their staffing model; some with keeping less staff temporarily; restructuring team set ups; keeping flexible hours and rethinking the usage or necessity of space for programs or offices. Including the technology needs of virtual programming and the subsequent staff support and training this will continue to entail. Continue to diversify the audience's reach for accessibility locally and outside of San Diego.
- **Mission and Organizational Goal** - Continuing to meet and adapt the changing needs of the community, especially for meeting the needs of systemically under resourced and underrepresented communities (reimagining their IDEA work). Most organizations expressed that their missions will stay the same; the pandemic only made their purpose stronger but they will continue to adapt how they fulfill it to the needs of the community
- **Donors and Supporters** - To find continued financial stability, post government support, is to focus on diversifying income through new donors and support demographics