

## COVID-19 Impact on Arts Organizations & Creative Businesses Greater Sacramento Region

The City of Sacramento carried out a survey in partnership with Americans for the Arts to assess the impact of COVID-19 on arts and cultural organizations and creative businesses in the Sacramento MSA. This region includes El Dorado, Nevada, Placer, Sacramento, Sutter, Yolo and Yuba Counties. The survey was in the field from March 24, 2021 through April 7, 2021. 73 organizations and businesses responded.

### Respondent Profile

- 66% nonprofit
- 29% for-profit
- 5% government/hybrid/unincorporated

### Present Status

- 55% were open/operating at a reduced capacity; 23% modified; 14% hibernating
- 37% not holding in-person, but had identified a start date for reopening
- 49% not holding in-person and had not identified a start date for reopening
- For those who have targeted reopening, most are looking at August, September, October

### Impact

- Lost attendance of 1,660,424
- \$1.2 million in unanticipated expenditures
- \$28.4 million in cuts to expenditures
- Net financial loss of \$39.9 million since the start of the pandemic
- 64% felt very or extremely confident of survival

### Response

- Furloughs, hiring freezes, layoffs and terminations, salary cuts/freezes were used to respond to the closures - 46% cut salaries, 37% terminated/laid off staff
- Most respondents (47%) said it will take until 2022 or longer to return to pre-covid staffing levels; 28.9% expected to return to pre-covid staffing levels by the end of 2021
- 57% of those who had terminated/laid off/furloughed artists and creative workers said 75% to 100% of their artists/creative workers were impacted by the cuts
- Most spent cash reserves (58%), others acquired a new loan/line of credit (42%), still others applied for government relief (34.7%)

### **Pandemic Operating Strategies**

- 61% said they had done some programming online for the first time as a result of the pandemic, but 44% said the revenue doesn't cover the costs of the programming, while 34% said it generates no funding
- 38% said they had taken action to improve access for people with limited or no access to reliable internet; 30% had taken action to improve access for people with disabilities
- 46% said their organization has innovated – e.g. invested in development of new programs/services, delivered products/services differently

### **Reopening**

- Barriers to reopening included: government restrictions/guidelines (43%); vaccination distribution (36%); staff/board concerns about safety (35%); knowledge/readiness of audiences to return (33%); affordability of operating with limited attendance (29%)
- Most cited needs to enable reopening: audiences (62%), cash (57%) and marketing (48%)
- Government relief funds would help them meet their timeline for reopening or would accelerate it

### **Race & Cultural Equity**

- Level of focus on racial equity has grown since the pandemic started
- 41% dedicated space/time to talk about racial equity as board/staff
- 33% strengthened an existing diversity, equity and inclusion plan
- 26% created new partnerships to foster/promote anti-racist programming

### **Fundamental Changes**

- 49% said their revenue/income model will be fundamentally changed by the pandemic
- 49% said their physical space will be fundamentally changed
- 42% said their business model will be fundamentally changed