



Susan Wengraf
Vice Mayor and Councilmember District 6

CONSENT CALENDAR
November 12, 2024

To: Honorable Mayor and Members of the City Council

From: Vice Mayor Wengraf (Author)

Subject: Referral to the November 2024 AAO1 Budget Process for \$150,000 to Create a Five-Year Sustainable and Comprehensive Recovery Plan for the Arts and Culture Sector in Berkeley

RECOMMENDATION

Referral to the November 2024 AAO1 Budget Process for \$150,000 to engage a consultant to develop a multi-year comprehensive road map to support, maintain and sustain a resilient Arts and Culture sector in Berkeley.

The results of this plan will be critical to guiding and informing discussion and consideration of a ballot measure in support of the Arts in 2026.

FINANCIAL IMPLICATIONS

\$150,000 from the FY 2025 November AAO1

CURRENT SITUATION AND ITS EFFECTS

Berkeley's existing arts organizations are in financial crisis. The Covid-19 pandemic has had a significant impact on the arts ecosystem here in Berkeley and in cities across the nation. Arts organizations are facing a tough road to recovery and are struggling with ideas and approaches to address the financial hits of losing their audiences, as they try to adapt to the devastating realities of the post- pandemic world and try to avoid closure.

The value and contribution of a vibrant arts and culture sector to the economic health and vitality of our city is undisputed. It has been a vital local and regional asset that supports hundreds of jobs, benefits business and helps grow our economy. When you consider the spending by arts and cultural organizations and their audiences, the impact on our city is profound.

The [Survey of Public Participation in the Arts](#), which sampled 40,718 U.S. adults at a roughly 59 percent response rate, found nearly universal declines in fine arts attendance from 2017 to 2022. The adults who reported seeing musical theater production fell from about 17 percent to 10 percent; the number for nonmusical plays dropped from about 9 percent to 5 percent. Attendance for ballet, opera and classical music performances saw similarly dramatic decreases.

[The Washington Post](#) reported this past summer that 25 to 30 percent of theater audiences have not returned since the shutdown, according to experts in theater management.

Performing Arts companies are rarely able to support the costs of production solely with box office receipts. They must attract both audiences and contributions to stay afloat. As theatres face post-pandemic declines in audience attendance, increased labor and material costs, and a shift in major funders' priorities away from the arts, the crisis has become widespread with serious consequences. New strategies combined with new partnerships and collaborations are necessary, but it's not simple and not clear that there is only one path forward with a community of organizations as diverse as ours here in Berkeley.

BACKGROUND

Berkeley's commitment to investments in the Arts Sector is clear. In 2018, the City published the [2018 Arts and Culture Plan Update](#) that establishes citywide goals, policy improvements and actions to support and further develop local arts, culture and entertainment. Several studies, including an economic impact assessment, provided a detailed portrait of Berkeley's creative sector. The Plan Update identifies strategies to ensure that the city's arts and culture sector will continue to flourish and enhance the quality of life for all residents and visitors.

However, the Arts and Culture Plan was completed prior to the pandemic and did not anticipate the extreme challenges that performing arts organizations now face.

To help the Arts and Culture sector, many initiatives and emergency requests for funding for both capital improvements and operational expenses have been put forward by the Berkeley City Council since 2018, including:

[*Grant Referral for Capoeira Arts Foundation for \\$150,000*](#) - 10/15/19

[*Referral to Civic Arts Commission to Develop a Grant Program to Support Retaining and Improving Creative Spaces for Artists \\$300,000*](#) - 10/29/19

[*Grant to Luna Kids Dance \\$150,000*](#)- 4/26/22

[*Affordable Housing for Artists Referred*](#): 5/21/ 2024

[*Budget Referral for Support for Aurora Theatre \\$150,000*](#) - 5/14/24

[*Budget Referral for Support for La Pena Cultural Center \\$150,000*](#) -10/1/24

Many arts organizations have come to the City seeking emergency financial assistance. The one-time funding initiatives have been an effective way to rescue and stabilize a

few organizations temporarily, but they do not address the financial challenges in a long- term sustainable way or address future problems.

It is time to re-examine the City's role in keeping our arts organizations healthy in a sustainable and predictable manner. New ways of thinking are required now and for the future, to be able to support the operation and maintenance of our exceptional Arts and Culture Sector. A comprehensive plan that will focus on innovative, equitable, transparent and sustainable strategies for recovery for our very varied and diverse arts and culture organizations is critical to the future of the economic and emotional health of Berkeley's arts ecosystem. There may not be a single answer for all our organizations. But the best way the City can support our local arts organizations is by focusing and investing in creating a comprehensive five-year plan that will address both short term and longer-term challenges

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

No significant environmental impact

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