44

Office of the City Manager

INFORMATION CALENDAR
December 2, 2025

To: Honorable Mayor and Members of the City Council

From: Paul Buddenhagen, City Manager

Submitted by: Eleanor Hollander, Economic Development Manager

Subject: Economic Impact Study: *Berkeley's Creative Economy and Assessment of Pandemic Relief Investments*

SUMMARY
This report transmits two economic analyses commissioned by the City of Berkeley and conducted by CVL Economics: (1) *Berkeley Creative Economy Economic Impact Analysis*, which examines the current state and contributions of Berkeley's arts sector, and (2) an *Assessment of Berkeley Arts & Culture Pandemic Relief and Recovery Funding*, which evaluates the City's investments in the cultural sector from 2020 to 2022 (Attachments 1 and 2).

The creative economy refers to industries whose primary purpose is cultural expression, artistic content, design, and creativity, such as visual and performing arts; architecture and design; entertainment and digital media; publishing and printing; communication design; arts education; and other creative fields. The City's $3 million pandemic relief investment during the years of 2020-2022 was essential, as organizations reported that these funds prevented closures and layoffs during the crisis, it is estimated that every dollar of pandemic relief funding distributed leveraged approximately $5.64 in sustained economic activity for arts and culture in Berkeley.

CURRENT SITUATION AND ITS EFFECTS
Supporting Berkeley's creative economy advances our Strategic Plan goals to foster a dynamic, sustainable, locally based economy, and champion and demonstrate social and racial equity. The City of Berkeley is home to over 150 active arts and culture *nonprofits* offering diverse theater, music, festivals, dance, visual arts, and more. These nonprofits vary significantly in size, educational offerings, and creative disciplines, and include nationally recognized theaters, music venues, galleries, dance studios, and maker spaces. The City of Berkeley is also home to a wide range of independent artists and artisans operating on smaller scales, producing fine arts and crafts. Berkeley has long recognized the importance of arts and culture to the economic health, vitality, and diversity of the local economy and commercial districts, as local arts and cultural organizations generate revenue, create jobs, and improve quality of life, which in turn generates business revenue and tourism.

From 2020 to 2024, Berkeley's cultural sector was severely impacted by the pandemic. The creative economy, which grew 16% from 2014 to 2018 (outpacing San Francisco and Oakland), contracted sharply during the pandemic. In response to the pandemic, the City of Berkeley provided more than $3 million in relief and recovery grants for arts organizations, festivals, and artists. These funds helped prevent permanent venue closures, sustained creative practices, and ultimately helped Berkeley’s cultural sector weather the acute impacts of the pandemic. However, of the 88 arts organizations that received relief funding from the City of Berkeley between 2020 and 2022, 17 have since closed, including two major institutions with budgets over $3 million.

Despite these losses, the arts sector remains important to Berkeley's economic vitality and civic identity today. Berkeley's creative economy accounts for 7.6% of total city employment and when multiplier effects are included, is much higher than Oakland (4.2%), San Jose (2.5%), and the statewide average (4.8%). The sector's structure reflects both its social benefit orientation and economic vulnerability: about 30% of Berkeley's 650 creative economy businesses are nonprofits (compared to 11% across all industries), and nearly 70% of the creative workforce is self-employed or gig workers.

BACKGROUND

In December 2024, Council authorized a contract with CVL Economics in an amount not to exceed $119,300 for analysis of pandemic arts recovery investments and the economic impact of the arts in Berkeley (Resolution No. 71,612-N.S.). CVL Economics was selected through a competitive Request for Proposals process, and the contract was funded entirely with a portion of the American Rescue Plan Act (ARPA) funds that Council had designated for the arts in 2021.

In response to the COVID-19 pandemic's economic impacts on the arts sector, the City of Berkeley made two substantial funding allocations totaling $3 million dollars:

1. ***Arts Continuity Grants*** (April 2020): The City allocated $1 million from the catastrophic reserve fund to create the *Arts Continuity Grant Program*, awarding emergency relief grants to arts organizations whose revenues were significantly impacted by the pandemic.

2. ***Berkeley Arts Recovery Grants*** (December 2021-February 2022): Council allocated $2 million in ARPA dollars to support Berkeley's arts sector recovery, with the *Berkeley Arts Recovery Grant Program (BARG)* distributing grants to organizations, festivals, and individual artists to help them sustainably recover from negative economic impacts of the pandemic.

Economic Impact Study Findings

In 2025, CVL Economics conducted a comprehensive economic impact analysis of Berkeley's creative economy, updating the 2017 *Economic Impact Report* that was developed in conjunction with the *Arts and Culture Plan Update 2018-2027*. The current study examines the economic impact of Berkeley's "creative economy" comprising eight creative subsectors: Visual & Performing Arts (56% of creative jobs), Architecture & Design (11%), Entertainment & Digital Media (10%), Publishing & Printing (7%), Communication Design (6%), Post-Secondary Arts Education (5%), Creative Goods & Decorative Arts (4%), and Fashion (2%).

Key findings include:

- **Direct employment**: Berkeley's creative economy directly employs 8,186 workers, accounting for 7.3% of its total workforce of 111,640 jobs

- **Visitor spending**: A sample of 37 Berkeley arts organizations attracting 1.4 million annual visitors generates an estimated $56 million in ancillary spending at local businesses ($30 million at food and drink establishments, $7.6 million at retail, $7.2 million on transportation, $3.5 million on lodging)

The study also shows that Berkeley's creative economy declined year-over-year since 2020, despite pre-pandemic growth. Berkeley's arts sector is especially vulnerable due to its high concentration of Visual & Performing Arts organizations and gig workers and hosting a larger share of nonprofits than other industries in Berkeley.

Pandemic Relief Assessment Findings
Between 2020 and 2022, the City of Berkeley awarded over $3 million in pandemic relief and recovery grants through five distinct programs: two rounds for organizations (Arts Continuity Grants 2020: $954,543 to 63 organizations; Berkeley Arts Recovery Grants (BARG) 2022: $1,532,345 to 74 organizations) and three rounds for artists (East Bay/Oakland Relief Fund 2020: $64,500 to 47 Berkeley artists; Berkeley Art Works Projects 2021: $182,339 to 32 artists; BARG for Artists 2022: $276,250 to 114 artists).

Key findings include:

- **Critical funding**: Nearly 90% of BARG and 83% of Arts Continuity Grant recipients rated Berkeley pandemic relief and recovery grants as either "very helpful" or "essential."

- **Critical timing**: Arts Continuity Grants served as an immediate lifeline in April 2020, often arriving before federal, state, or county programs, helping organizations avoid layoffs (85%) and closures (84%) and BARG offered stabilization helping organizations with longer-term planning and adaptation with (48%) crediting the funds with helping them stabilize and make strategic changes.

- **Equity outcomes**: These grants not only addressed economic precarity, but also advanced racial and cultural equity by centering investments in artists and organizations that have been historically excluded from opportunities and are working with communities disproportionately impacted by the pandemic.

- **Economic preservation**: Every $1 of pandemic relief leveraged at least $5.64 in sustained arts and culture economic activity locally, helping safeguard local economic activity that otherwise would have been lost.

In 2025, surviving arts organizations in Berkeley continue to face challenges five years after the start of the pandemic. Median revenue is 9% below pre-pandemic levels and larger institutions report revenues that are 33% below 2019 benchmarks. Financial sustainability, rising costs, and competition for limited funding remain top concerns of Berkeley’s arts organizations. Of the 17 arts organizations that closed between 2020 and 2025, both small and large budget organizations were affected, indicating no segment was fully insulated from pandemic impacts. Currently, Berkeley's arts and culture sector faces higher costs and reduced audiences, with some nonprofits operating at a loss. Ongoing challenges include inflation, decreased subscription sales, and continued audience reluctance to return to venues due to COVID-19 concerns.

Additional City Support for Art
Beyond Civic Arts Grants, the City provides substantial investment in the arts through its Public Art Program, funded mainly through “Percent for Art” or Public Art ordinances that dedicate portions of capital project budgets and in-lieu fees from private developers to public art in Berkeley. Annual expenditures on public art projects funded in this manner have ranged from $276,656 to $923,475 per year over the past five years. Because these allocations are tied to specific artworks and capital improvements rather than flexible operating support, they are not included in the return on investment analyses presented in Attachments 1 and 2 of this report.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS
No environmental or climate impacts were identified in these studies.

POSSIBLE FUTURE ACTION
These analyses offer evidence to inform future policy decisions regarding but not limited to:
- **Sustained investment**: Recognizing the creative economy as essential economic sector requiring ongoing support, not just emergency intervention
- **Structural vulnerability mitigation**: Addressing affordability challenges, gig workforce precarity, and declining audiences
- **Program Allocations**: Leveraging past demonstrated return on investment to inform resource allocation decisions in the future

The results of these studies will guide Berkeley's future investments and program design for artistic and cultural support in the years to come.

FISCAL IMPACTS OF POSSIBLE FUTURE ACTION
This is an informational report with no immediate fiscal impact. Future policy actions based on these studies will likely require further detailed fiscal analysis.

<u>CONTACT PERSON</u>
Jennifer Lovvorn, Civic Arts Program, Office of Economic Development, 981-7533

Attachments:
1. *Berkeley Creative Economy Economic Impact Analysis* (CVL Economics, 2025)
2. *Assessment of Berkeley Arts & Culture Pandemic Relief and Recovery Funding* (CVL Economics, 2025)

Berkeley Creative Economy Economic Impact Analysis

DECEMBER 2025

CVL ECONOMICS

TABLE OF CONTENTS

KEY FINDINGS

The City of Berkeley's creative economy represents a vital economic force that extends far beyond traditional notions of arts and culture. The creative economy consists of industries whose primary purpose is to produce or enable cultural expression, artistic content, design, and other creative goods and services.

It spans across eight distinct subsectors: Visual & Performing Arts, Architecture & Design, Entertainment & Digital Media, Publishing & Printing, Communication Design, Post-Secondary Arts Education, Creative Goods & Decorative Arts, and Fashion. Despite facing significant pandemic-related challenges, these subsectors continue to generate substantial economic activity, support thousands of jobs, and contribute meaningfully to Berkeley's fiscal health. This analysis examines how the sector has weathered the pandemic's disruptions and quantifies its current economic contributions. The findings summarized below provide essential data for policymakers, arts organizations, and community stakeholders working to chart a sustainable path forward for the arts and culture sector in Berkeley.

BUSINESS COUNTS

As of 2025, there are approximately 650 creative economy businesses in Berkeley (out of 12,800 total businesses), about 30% of which are nonprofit organizations.

There are 193 creative economy nonprofit organizations in the City of Berkeley. This share is notably high compared to the share of nonprofits across all industries (11%) in the city.

EMPLOYMENT TRENDS

In 2024, Berkeley's creative economy directly employed 8,186 workers, accounting for 7.3% of its total workforce of 111,640 jobs.[1]

Visual & Performing Arts is by far the largest subsector, accounting for more than half of all jobs (4,567 jobs, or 55.8% of the creative economy workforce). Other significant subsectors include Architecture & Design (908 jobs; 11.1%), Entertainment & Digital Media (791 jobs; 9.7%), and Publishing & Printing (562 jobs; 6.9%). Communication Design (495 jobs; 6.0%), Post-Secondary Arts Education (377 jobs; 4.6%), Creative Goods & Decorative Arts (325 jobs; 4.0%), and Fashion (161 jobs; 2.0%), comprise smaller shares but are still notable.

Nearly 70% of Berkeley's 8,186 creative economy workers are self-employed or gig-based, underscoring the sector's reliance on non-traditional work arrangements.

While project-based creative work fosters innovation and independence, it also often comes with irregular income and limited protections. This pattern is most pronounced in the Visual & Performing Arts subsector, where 84% of jobs are self-employed or gig-based, while fields like Architecture & Design and Entertainment & Digital Media lean more on salaried roles with more dependable hours and predictable schedules.

Berkeley's creative economy employment surged in the years before the pandemic, but current employment levels remain 17% below the 2018 peak. Berkeley's creative economy employment has declined year after year, while other neighboring cities have regained some ground.

After peaking with 9,850 creative economy jobs in 2018, Berkeley's 2024 total of 8,186 jobs has fallen back to roughly its 2013 level of 8,160 jobs.

Between 2014 and 2018, Berkeley's creative economy employment grew 16%, outpacing industry growth in San Francisco (12%), San Jose (10%), and Oakland (4%). That momentum, however, was abruptly cut short in early 2020. While all Bay Area creative economies contracted with the onset of the pandemic, Berkeley's downturn has proven far more persistent. San Francisco and San Jose have since regained some of their losses, but Berkeley's creative economy employment has continued to decline through 2024.

1 Job count includes salaried (full- and part-time), self-employed, and gig workers. Within this, Berkeley's salaried workforce accounted for 2,574 jobs in the creative economy and 68,126 jobs across the overall economy in 2024.

Berkeley's creative economy decline also sits in contrast to the city's overall economy, which, on average, has mostly recovered from the pandemic.

The city's overall economy sits about 3% above its 2019 employment level. By contrast, the city's creative economy remains 13% below its pre-pandemic baseline.

This divergence reflects the unique composition of Berkeley's creative economy, which comprises a relatively high concentration of Visual & Performing Arts employment, a sector that relies heavily on live, in-person activity, gig and contract work, and nonprofit structures—factors that made it more vulnerable to prolonged disruption.

Berkeley's creative sector is heavily concentrated in Visual & Performing Arts (56%), reflecting a reliance on live, in-person activity and gig or contract work within a nonprofit-heavy structure. By contrast, San Francisco leans more toward Entertainment & Digital Media (38%), driven by streaming, software publishing, and broadcasting.

Still, today, Berkeley maintains a greater share of creative economy employment relative to its total workforce than Oakland, San Jose, and California overall, and is only slightly below San Francisco.

Berkeley's 7.3% creative economy share of its total workforce is a higher concentration than in Oakland (4.2%), San Jose (2.5%), and California overall (4.8%), but trails San Francisco (7.6%).

THE ECONOMIC AND FISCAL IMPACT OF BERKELEY'S CREATIVE ECONOMY

Berkeley's creative economy is an essential part of the city's economy.

Even in a weakened state, Berkeley's creative economy remains a critical driver of the City's economic activity. Its impact ripples throughout the economy as arts organizations purchase goods and services, and workers spend their earnings locally, sustaining activity across many industries **(multiplier effect)**. Some of this spending "leaks" beyond city borders to suppliers and markets in other parts of the East Bay (Alameda and Contra Costa Counties), where the total impact grows even larger **(regional spillover effect)**. Together, these multiplier and spillover effects underscore the creative sector's role as both a local driver and a regional economic force.

In 2024, including multiplier effects in other industries, Berkeley's creative economy generated a total impact of 8,437 jobs (7.6% of total jobs), $537.5 million in labor income (5.7% of total labor income), and $1.0 billion in contributions to city gross regional product (value added), or approximately 7.9% of the total citywide.

In other words, each creative job in Berkeley generated about $66,000 in labor income, and $125,000 in value added (contributions to Berkeley's gross regional product) citywide.

An additional 5,605 jobs were supported by Berkeley's creative economy in other parts of the East Bay beyond city limits. This represents the spillover effect of Berkeley's creative economy—spending that originates in Berkeley but flows outward to suppliers, contractors, and consumer markets elsewhere in the region.

In 2024, every $1 of Civic Arts Grant funding to Berkeley's organizations, festivals, and individual artists catalyzed $197 in total economic activity across the city.

In FY2024, the City of Berkeley awarded $698,782 to 97 Berkeley arts and culture organizations, festivals, and individuals. This support underpinned the operations of 86 organizations and festivals (collectively generating over $130 million in operating revenue), as well as 11 artists through arts works projects.

Overall, the City's investments helped drive about 7.5% of the total economic activity ($1.8 billion) generated by Berkeley's creative economy.

Based on data from 37 Berkeley arts and culture nonprofit organizations, visitors to these institutions generate approximately $56 million in additional local spending each year across other sectors of the city's economy.

These 37 arts and culture organizations collectively attract about 1.4 million attendees annually, whose event-related spending extends well beyond tickets to these institutions—including nearly $30 million at nearby food and drink establishments, $7.6 million at retail stores, $7.2 million on local transportation, and $3.5 million on lodging.

In 2024, Berkeley's creative economy had a hand in generating $10.7 million in tax revenues, representing 3.9% of the City's tax base.

In FY2024, Berkeley's creative economy, including the impact of multiplier effects, contributed $4.6 million in property taxes, $2.9 million in sales taxes, and $3.2 million in various other taxes to the City.

INTRODUCTION

Berkeley's creative economy is central to local prosperity, but it also stands at a critical juncture. While creative industries nationwide continue to demonstrate remarkable resilience and growth, Berkeley's own arts and culture sector faces significant headwinds that threaten its role as both an economic driver and a cornerstone of the city's cultural identity.

The COVID-19 pandemic took a significant toll on Berkeley's creative economy, and its recovery has diverged from the growth patterns that once positioned Berkeley as a regional creative economy leader. Understanding both the current contributions and the emerging challenges facing this sector is essential for arts administrators, policymakers, arts organizations, and community stakeholders working to chart a sustainable path forward.

DEFINING THE CREATIVE ECONOMY

The creative economy refers to the industries whose primary purpose is to produce or enable cultural expression, artistic content, design, and other creative goods and services. The creative economy encompasses a wide range of industries that fall within eight subsectors where cultural expression, design, and creative innovation are central to economic value. As defined in Figure 1, these subsectors are Visual & Performing Arts, Architecture & Design, Entertainment & Digital Media, Publishing & Printing, Communication Design, Post-Secondary Arts Education, Creative Goods & Decorative Arts, and Fashion.[2]

FIGURE 1: CREATIVE ECONOMY SUBSECTORS

SUBSECTOR	DESCRIPTION
VISUAL & PERFORMING ARTS	Entities engaged in services such as dance and theater companies, art dealers, museums, and activities involving independent artists, writers, and performers.
ARCHITECTURE & DESIGN	Entities providing architectural, drafting, interior design, industrial design, and landscape design services.
ENTERTAINMENT & DIGITAL MEDIA	Entities engaged in motion picture and video production, post-production services, sound recording studios, radio broadcasting, and digital streaming platforms.
PUBLISHING & PRINTING	Entities producing commercial printing, book printing, and publishing of books, periodicals, newspapers, directories, and mailing lists.
COMMUNICATION DESIGN	Entities engaged in graphic design, advertising agencies, photography studios, and commercial photography services.
POST-SECONDARY ARTS EDUCATION	Entities providing arts instruction in dance, drama, music, and visual arts (excluding institutions that grant diplomas or degrees).
CREATIVE GOODS & DECORATIVE ARTS	Entities producing ceramics, household furniture, rugs, decorative objects, toys, and games.
FASHION	Entities engaged in textile and apparel manufacturing, jewelry and silverware production, and related fashion goods and services.

Source: CVL Economics.

2 See Appendix A.1 for detailed list of industry classification codes.

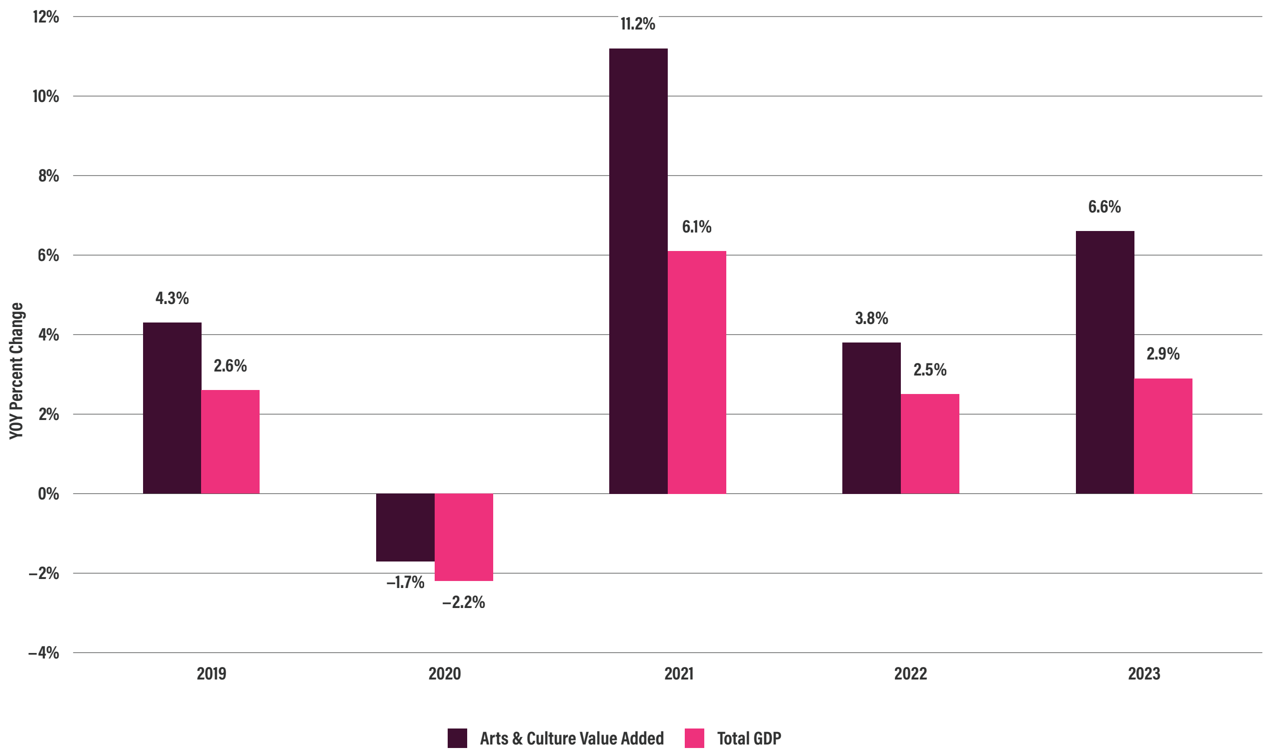
ECONOMIC CONTEXT:
THE NATIONAL AND STATE PICTURE OF THE CREATIVE ECONOMY

The creative economy has emerged as one of the most dynamic and resilient sectors in the U.S. economy, consistently demonstrating its capacity to drive growth and innovation. Far from being peripheral to economic development, the creative industries have proven themselves to be fundamental engines of prosperity, generating substantial employment, income, and economic output across communities nationwide—often outpacing the broader economy.

In fact, nationwide growth of real value added (contribution to gross domestic product) generated by the Arts & Culture sector[3] has consistently outperformed that of the overall U.S. economy each year since 2019 (Figure 2). In 2019, the sector grew 4.3% compared to the year prior, well ahead of the 2.6% increase in total U.S. gross domestic product (GDP). Even at the onset of the pandemic in 2020, nationwide Arts & Culture value added declined by just 1.7%, less than the overall economy's 2.2% contraction. The rebound that followed was especially striking: in 2021, Arts & Culture surged by 11.2%, nearly double the growth rate of total GDP. Growth continued in subsequent years, expanding by 3.8% in 2022 and 6.6% in 2023, again outpacing the national economy.

3 "Arts & Culture" as defined by the U.S. Bureau Economic Analysis.

FIGURE 2: NATIONWIDE YEAR-OVER-YEAR PERCENT CHANGE IN ARTS & CULTURE CONTRIBUTION TO GROSS DOMESTIC PRODUCT (REAL VALUE ADDED) VS. TOTAL U.S. GROSS DOMESTIC PRODUCT (GDP)

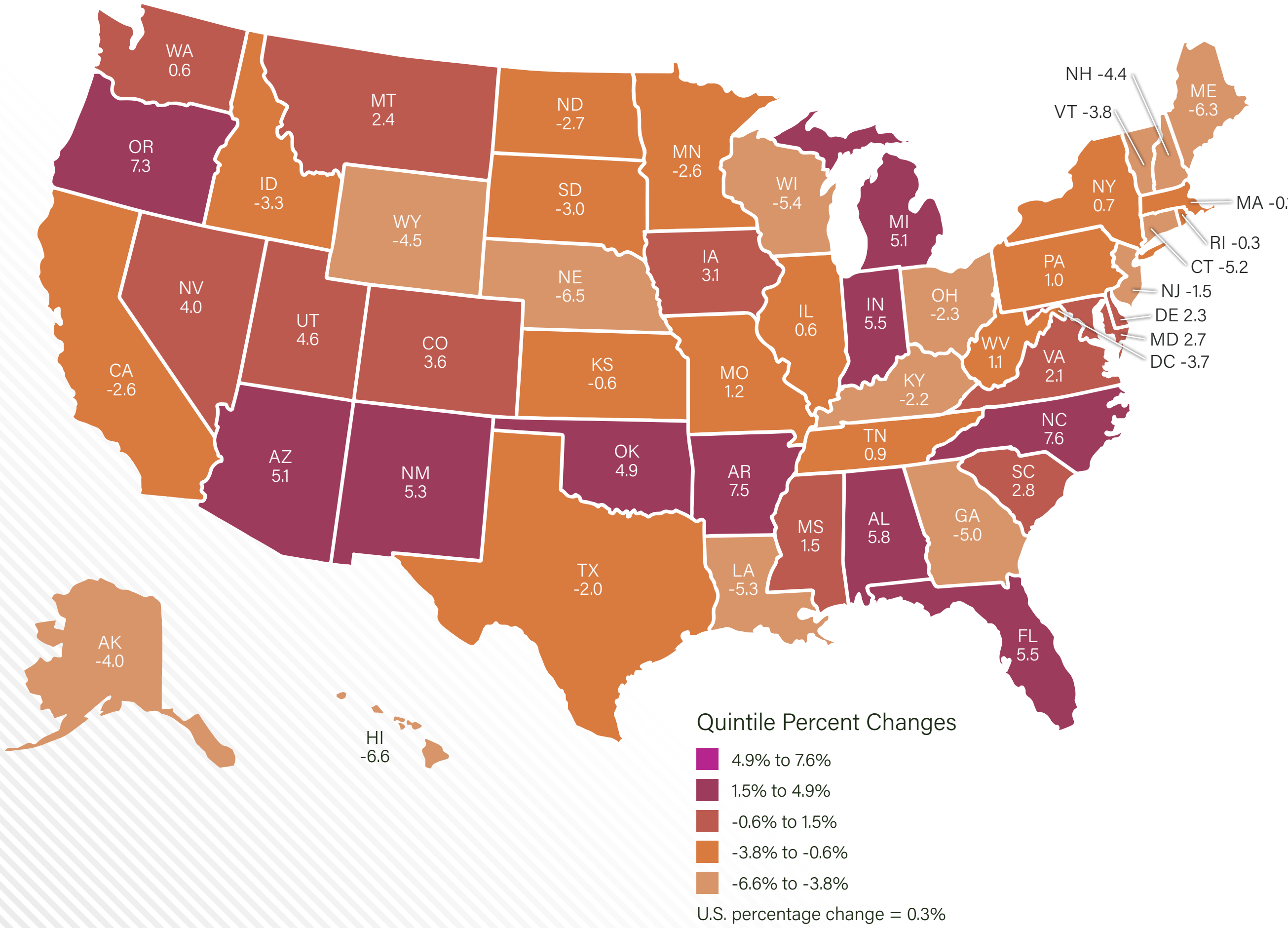


Source: U.S. Bureau of Economic Analysis Arts and Culture Satellite Account, CVL Economics.

While the national picture underscores the strength of the overall Arts & Culture sector, only some states are reaping the benefits—and California is not one. Many states posted strong gains in arts and cultural employment between 2022 and 2023 (Figure 3). North Carolina (+7.6%), Oregon (+7.3%), Florida (+5.5%), and New Mexico (+5.3%) were among the top performers, with other states like Arizona, Nevada, and Colorado showing decent growth. Washington and New York experienced minimal, but still positive growth in Arts & Culture employment.

California, by contrast, saw a 2.6% decline in Arts & Culture employment. This relative decline is striking for a state often regarded as a global hub for creativity and culture, and it signals a growing disconnect between California's reputation and its current trajectory. Historically, the arts and creative industries have been central to California's rise as a global economic powerhouse—anchored by industries like film, music, design, theatre, and digital media that helped define the state's economic strength. Yet today, the very sector that once symbolized California's competitive edge faces mounting challenges: high costs of living and doing business, policy barriers, outmigration of talent, and increasing incentives (e.g., tax breaks) offered by other jurisdictions.

FIGURE 3: PERCENT CHANGE IN ARTS & CULTURE EMPLOYMENT BY STATE | 2022–2023



Source: U.S. Bureau of Economic Analysis.

This broader statewide decline provides an important backdrop for understanding Berkeley's own creative economy. As California struggles with high costs, policy hurdles, and growing competition from other states, local communities are feeling these pressures acutely—and Berkeley is no exception.

CREATIVE ECONOMY LANDSCAPE ANALYSIS

Berkeley's creative economy is both broad in scope and deeply embedded in the city's identity. As of September 2025, the City of Berkeley recorded 650 active business licenses in the creative sector industries, accounting for about 5% of all active licenses (12,783) in the city.[4] [5] These counts include private and nonprofit corporations, sole-ownerships, partnerships, and cooperatives.

The nonprofit sector plays a particularly prominent role in Berkeley's creative economy compared to other industries. Analysis of Internal Revenue Service tax-exempt filings alongside local business license data shows that creative fields have a significantly higher share of nonprofit organizations than the citywide average across all industries (Figure 4). In total, nonprofits account for roughly 30% of Berkeley's creative economy organizations, compared to 11% of all businesses citywide.[6] **This structure has important implications: while it reflects the strong civic and cultural mission of Berkeley's creative sector, it also underscores the sector's reliance on contributed income, philanthropy, and public funding.**

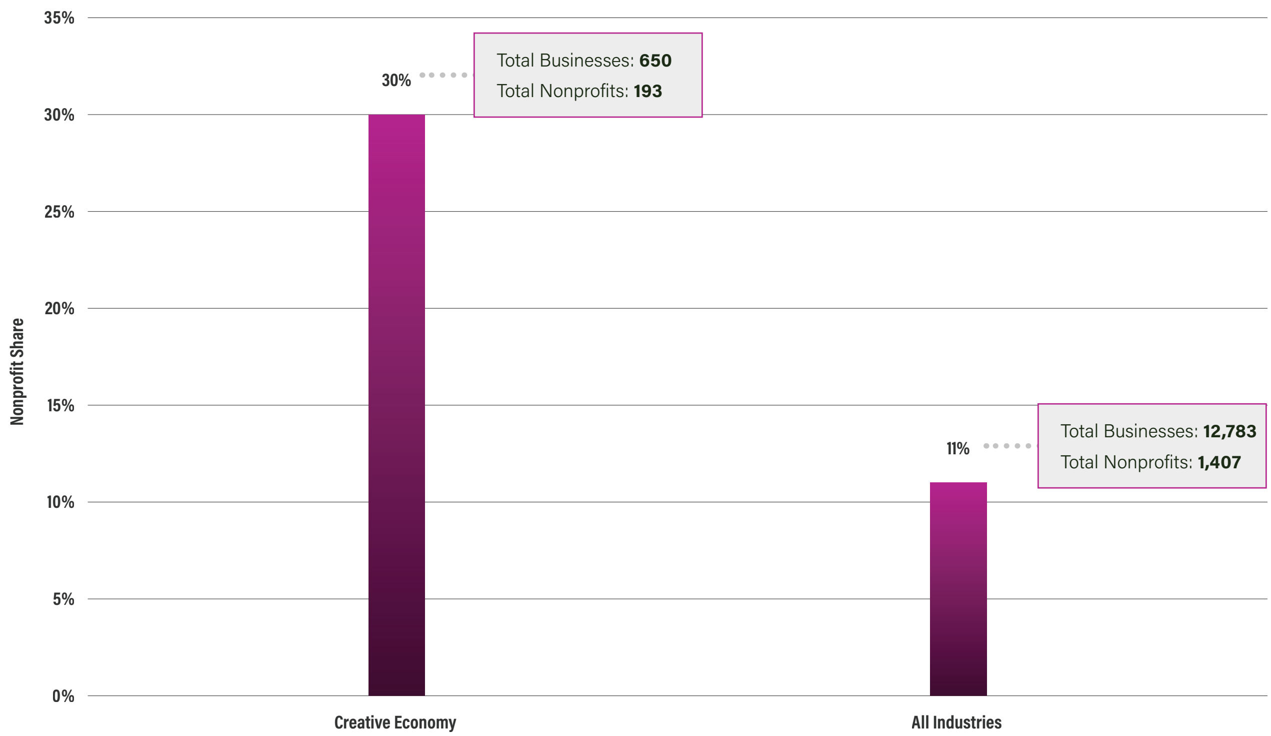
---

4 City of Berkeley. *Business Licenses*. Accessed September 2025. https://data.cityofberkeley.info/Business/Business-Licenses/rwnf-bu3w/about_data.

5 See Appendix A.2 for further details on business count methodology.

6 See Appendix A.2 for further details on business count methodology.

FIGURE 4: SHARE OF NONPROFIT ORGANIZATIONS IN BERKELEY'S CREATIVE ECONOMY VS. ALL INDUSTRIES | 2025



Source: City of Berkeley Active Business License Data, Internal Revenue Service, CVL Economics.

CREATIVE ECONOMY EMPLOYMENT

In 2024, Berkeley's creative economy employed 8,186 jobs (Figure 5). Within the creative workforce, Visual & Performing Arts is by far the largest subsector, accounting for more than half of all jobs (55.8%). Other significant subsectors include Architecture & Design (11.1%), Entertainment & Digital Media (9.7%), and Publishing & Printing (6.9%). Smaller subsectors include Communication Design (6.0%), Post-Secondary Arts Education (4.6%), Creative Goods & Decorative Arts (4.0%), and Fashion (2.0%). Together, these fields form a dynamic ecosystem that extends well beyond traditional arts organizations—supporting innovation, attracting talent, and fueling the city's broader economic vibrancy.

Forms of Employment

The composition of Berkeley's creative workforce reflects not only the city's sectoral diversity but also the different ways people participate in creative work. As Figure 5 shows, jobs in the creative economy are distributed across three primary categories: salaried (W-2 employees), self-employed workers, and gig-based roles, as defined below.

- **Salaried Employment (W-2)**: Full-time and part-time jobs on payroll who receive a W-2 form, including both those covered by unemployment insurance (UI) programs (captured in the Bureau of Labor Statistics' Quarterly Census of Employment and Wages, or QCEW) and those not covered by UI programs (non-QCEW, such as certain small nonprofits, religious organizations, and others).

  Examples: *a full-time museum administrator, or a part-time stage manager employed by a theater.*

- **Self-Employed:** Individuals who work for themselves and are not on a payroll. This category is measured using IRS tax filings and Bureau of Economic Analysis proprietorship data and includes sole proprietors, freelancers, and independent contractors who typically file Schedule C income.

  Examples: *a freelance graphic designer running their own studio, or an independent architect who takes on client projects as their main source of income.*

- **Gig Employment:** A separate measure drawing from additional IRS non-employer filings that fall outside the standard self-employment category. This often includes freelancers, independent contractors, and sole proprietors who take on multiple short-term or project-based jobs. This category captures more contingent or supplemental work activity, often part-time or secondary. Including gig work is essential to understanding Berkeley's creative economy, where it represents a significant share of the arts and culture workforce.

  Examples: *an artist selling work occasionally on Etsy while holding another job, or a musician performing in one-off gigs or short-term productions while holding another source of employment.*

Each type of work carries its own opportunities and challenges, and together they form the backbone of Berkeley's cultural and creative ecosystem. In Berkeley, this dynamic is particularly visible in the Visual & Performing Arts subsector, where over 84% of jobs are self-employed or gig-based. By contrast, fields like Architecture & Design or Entertainment & Digital Media lean more heavily on salaried employment, providing relatively greater stability. Sectors such as Publishing & Printing, Communication Design, and Post-Secondary Arts Education fall in between, with a mix of W-2, self-employed, and gig roles that together illustrate the hybrid nature of creative work.

FIGURE 5: CREATIVE ECONOMY SUBSECTOR EMPLOYMENT COUNT BY WORKER TYPE IN BERKELEY | 2024

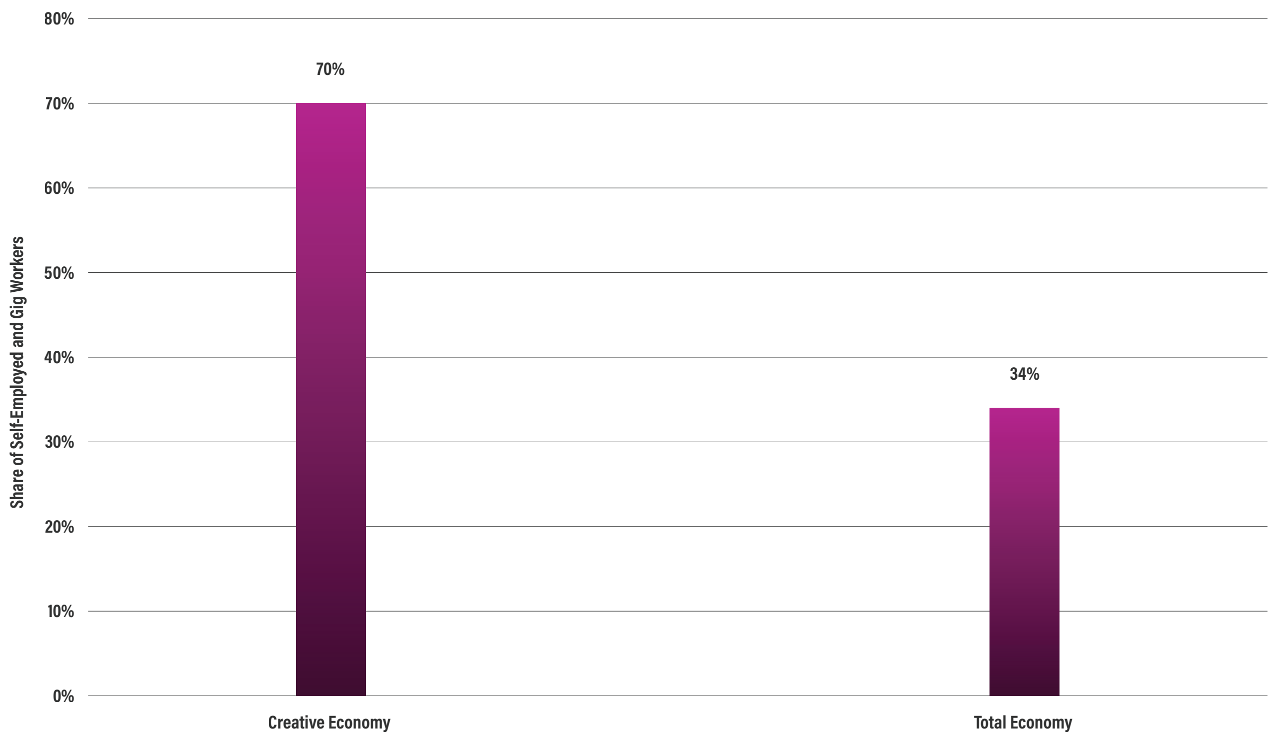
CREATIVE ECONOMY SUBSECTOR	SALARIED (W-2)	SELF-EMPLOYED	GIG	TOTAL	SHARE OF CREATIVE ECONOMY TOTAL
Visual & Performing Arts	718	827	3,022	**4,567**	**55.8%**
Architecture & Design	534	138	236	**908**	**11.1%**
Entertainment & Digital Media	478	159	154	**791**	**9.7%**
Printing & Publishing	193	43	326	**562**	**6.9%**
Communication Design	105	101	289	**495**	**6.0%**
Post-Secondary Arts Education	174	74	130	**377**	**4.6%**
Creative Goods & Decorative Arts	283	26	16	**325**	**4.0%**
Fashion	89	23	49	**161**	**2.0%**
Total Creative Economy	**2,574**	**1,391**	**4,222**	**8,186**	**-**

Note: Employment counts reflect the number of unique jobs and not individuals. In that sense, one individual can hold multiple jobs and therefore be counted more than once. This dynamic is especially prevalent in the "Gig" work category, where organizational models in industries like Visual & Performing Arts rely heavily on short-term, project-based, or seasonal hiring, and artists and performers often piece together income through multiple jobs.

Source: U.S. Census Bureau, U.S. Bureau of Labor Statistics, Lightcast, CVL Economics.

Unlike many other industries where traditional W-2 employment (salaried, with benefits) dominates, the creative economy is notable for its reliance on non-traditional work arrangements. Artists and creative workers are far more likely than the general workforce to be self-employed or gig-based (Figure 6). In Berkeley, nearly 70% of creative economy workers are self-employed or gig workers compared to 34% across the total economy. This reflects both the flexibility and precarity of the sector: while project-based and freelance work can create room for innovation and independence, it also often comes with irregular income, limited benefits, and less access to worker protections.

FIGURE 6: SHARE OF SELF-EMPLOYED AND GIG EMPLOYMENT FOR CREATIVE ECONOMY AND ALL INDUSTRIES IN BERKELEY | 2024



Source: U.S. Census Bureau, U.S. Bureau of Labor Statistics, Lightcast, CVL Economics.

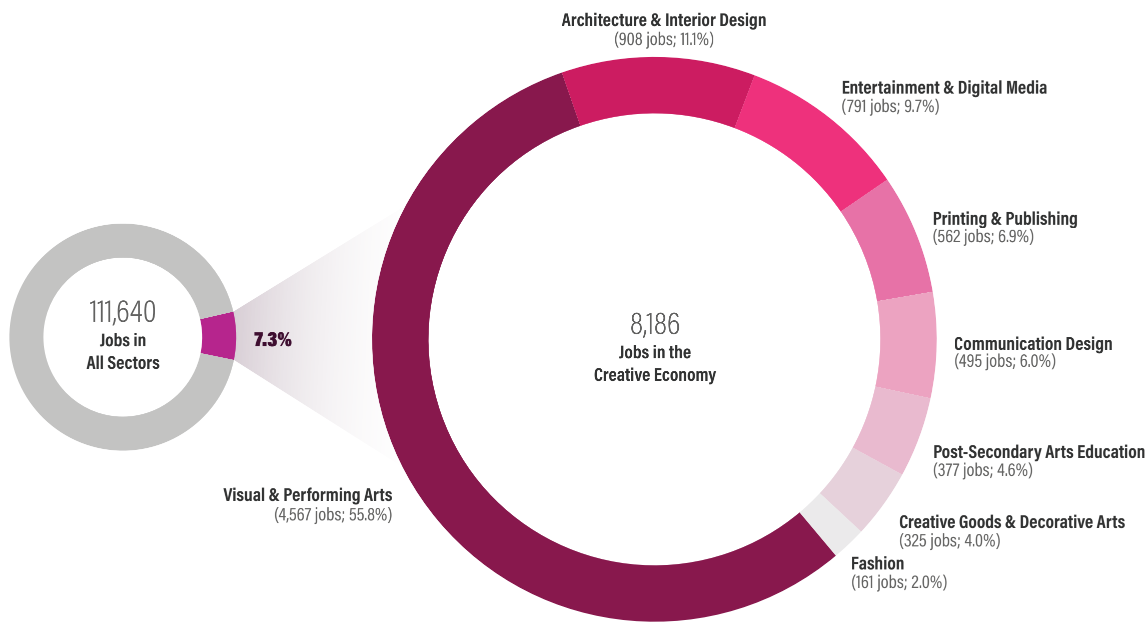
Berkeley's Creative Economy in the City's Broader Economic Landscape

Berkeley's creative economy is a critical part of the city's economic landscape, accounting for a significant share of total employment. While creative economy businesses accounted for 5% of all enterprises, they supported 7.3% of all employment citywide in 2024—8,186 out of the 111,640 total jobs across industries (Figure 7).[7]

Creative economy employment today has been declining year over year since the pandemic, following a period of strong growth in the years prior. From 2010 to 2018, Berkeley's creative sector expanded steadily, adding more than 2,300 jobs and peaking at nearly 9,850 positions (Figure 8). That momentum ended abruptly in 2020, when the pandemic caused steep job losses that erased much of the previous decade's gains. While employment has stabilized somewhat in recent years, 2024 levels remain just over 8,100 jobs—roughly on par with 2013.

7 See Appendix A.3 for detailed documentation of employment counts.

FIGURE 7: COMPOSITION OF CREATIVE SECTOR WORKFORCE IN BERKELEY | 2024



Note: Includes salaried, self-employed, and gig jobs in the creative economy and across all sectors. Employment counts reflect the number of unique jobs and not individuals. In that sense, one individual can hold multiple jobs and therefore be counted more than once. Berkeley salaried (QCEW) jobs total 2,574 in the creative economy and 68,126 in the overall economy.

Source: U.S. Census Bureau, U.S. Bureau of Labor Statistics, Lightcast, CVL Economics.

FIGURE 8: CREATIVE ECONOMY EMPLOYMENT IN BERKELEY | 2010–2024

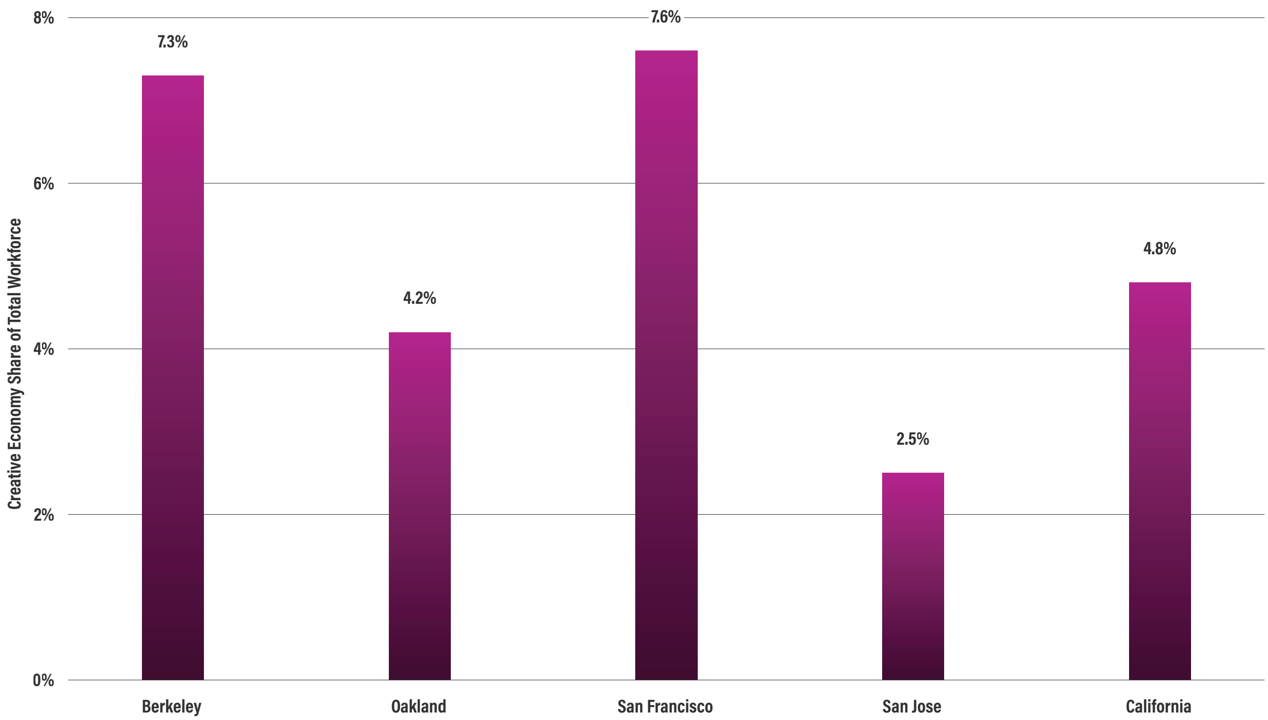
Source: U.S. Census Bureau, U.S. Bureau of Labor Statistics, Lightcast, CVL Economics.

REGIONAL COMPARISONS

When compared to neighboring regions in the San Francisco Bay Area and the state as a whole, Berkeley's creative economy stands out. In 2024, it accounted for 7.3% of the city's total workforce—a larger share than in Oakland, San Jose, and California overall, though slightly trailing San Francisco (Figure 9).

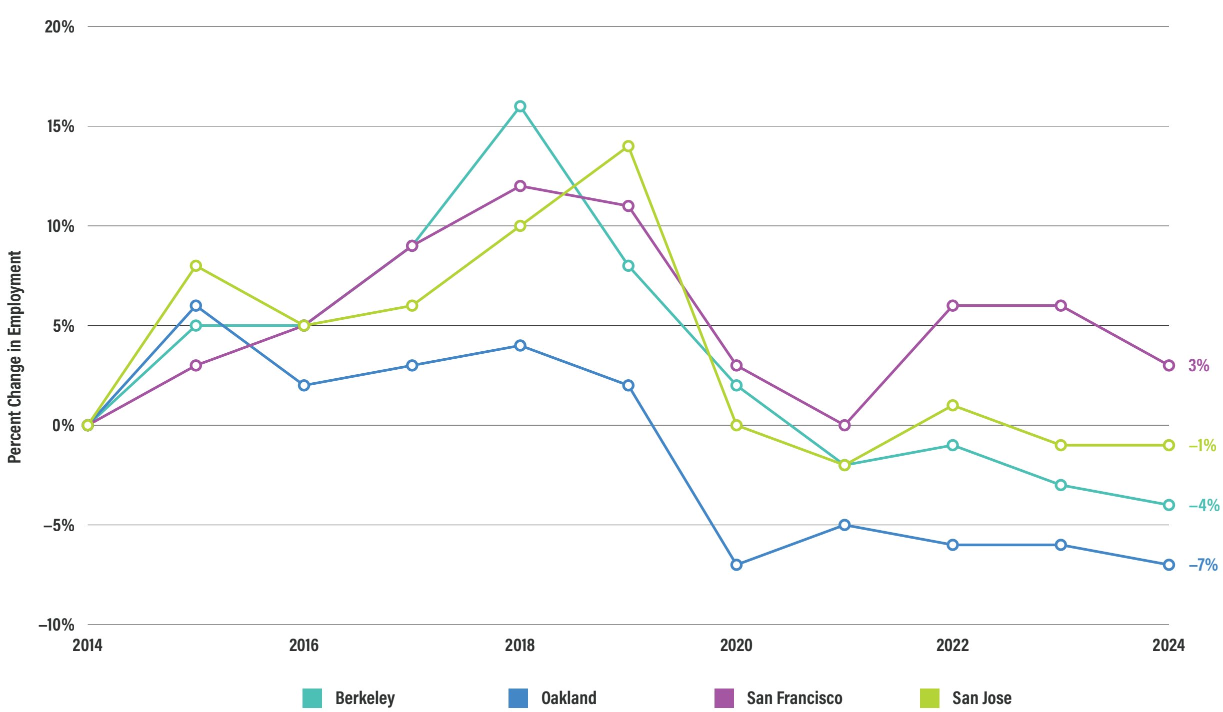
In the years leading up to the pandemic, Berkeley's creative economy was outperforming even San Francisco's sector in terms of job growth. Between 2014 and 2018, creative employment in Berkeley expanded 16%, outpacing industry growth in neighboring cities (Figure 10). Although all regional creative economies experienced steep declines with the onset of the pandemic in 2020, Berkeley's recovery has especially lagged behind. San Francisco and San Jose have seen partial rebounds, regaining some of their lost ground, but Berkeley's creative economy has remained flat or slightly negative through 2024.

FIGURE 9: CREATIVE ECONOMY EMPLOYMENT AS A SHARE OF TOTAL WORKFORCE BY REGION AND STATE | 2024



Source: U.S. Census Bureau, U.S. Bureau of Labor Statistics, Lightcast, CVL Economics.

FIGURE 10: COMPARATIVE CREATIVE ECONOMY REGIONAL EMPLOYMENT GROWTH RATE | 2014–2024



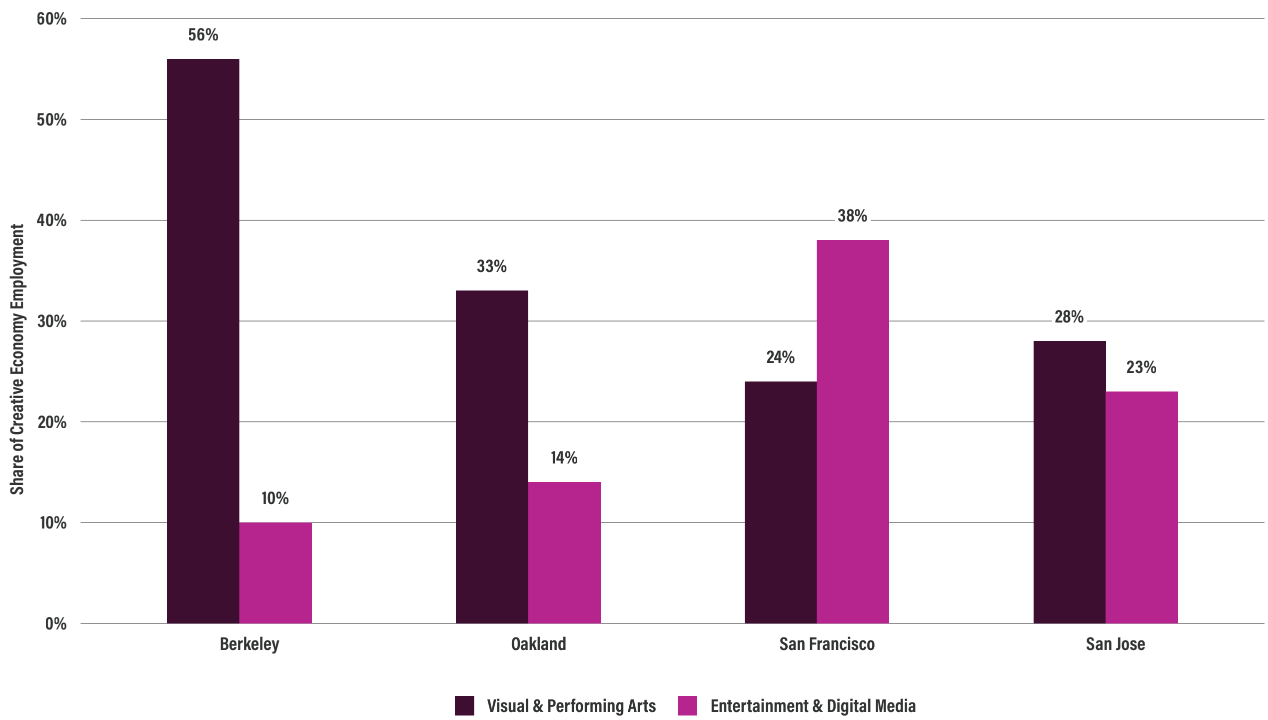
Source: U.S. Census Bureau, U.S. Bureau of Labor Statistics, Lightcast, CVL Economics.

The result is a sector that was once leading the region in growth but now sits well below its pre-pandemic trajectory, underscoring the depth of the disruption and the ongoing challenges to full recovery.

One factor behind Berkeley's slower recovery is the composition of its creative economy relative to other cities. More than half of Berkeley's creative sector jobs are concentrated in Visual & Performing Arts (56%), **making the city far more dependent on live, in-person activity than its regional peers** (Figure 11).

San Francisco, by contrast, has a much larger share in Entertainment & Digital Media (38%), led by industries such as media streaming, software publishing (e.g., video game development), and broadcasting. These segments not only proved more resilient during shutdowns but in many cases expanded as digital content consumption surged. San Jose and Oakland fall between these two poles, with stronger mixes across both the Performing Arts and Digital Media industries.

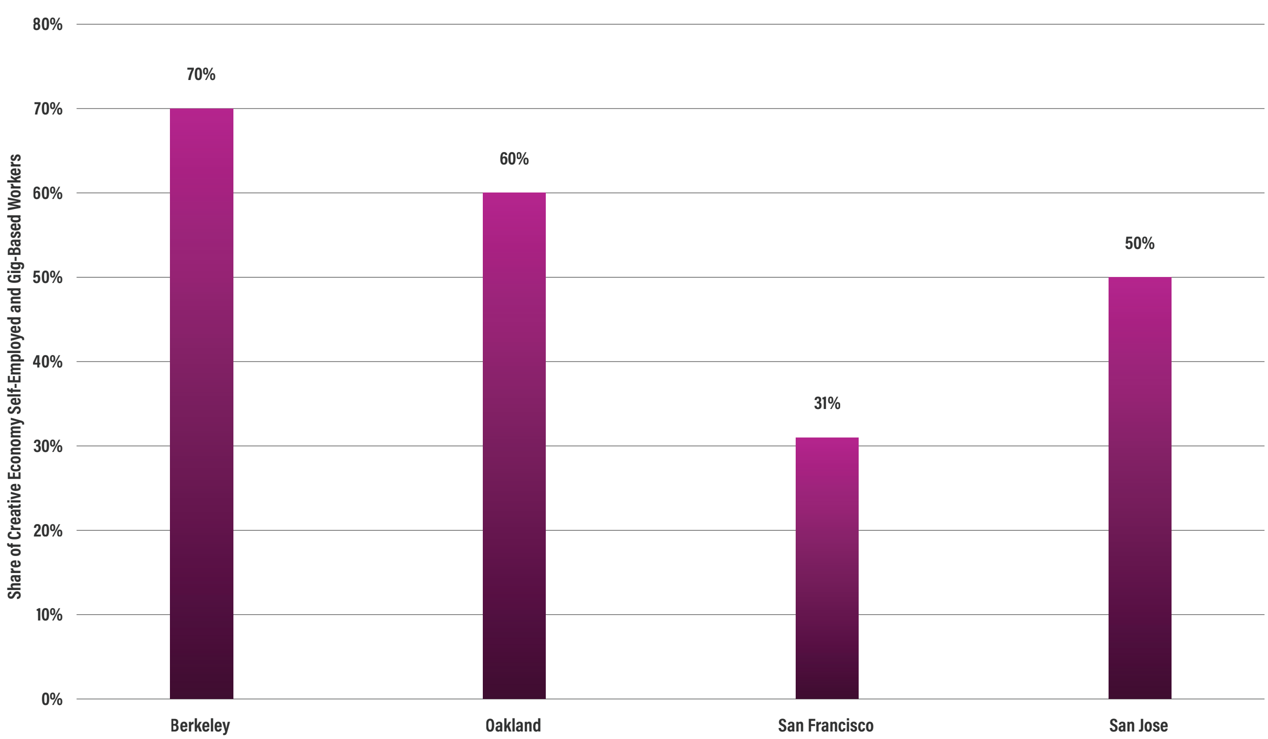
FIGURE 11: REGIONAL CREATIVE ECONOMY COMPOSITION: VISUAL & PERFORMING ARTS VS. ENTERTAINMENT & DIGITAL MEDIA | 2024



Source: U.S. Census Bureau, U.S. Bureau of Labor Statistics, Lightcast, CVL Economics.

With a significant percentage of Performing Arts industry employment comes other struggles tied to the sector's reliance on gig and contract work, as well as its nonprofit-heavy structure. **In Berkeley, the estimated 70% of the creative workforce that is self-employed or gig-based is driven largely by the city's Visual & Performing Arts sector, which alone accounts for 3,850 workers (827 self-employed and 3,022 gig-based)**. By comparison, only 31% of San Francisco's creative workforce falls into these categories (Figure 12). Oakland and San Jose also have higher shares of self-employed and gig workers (60% and 50%, respectively), but are not as high as Berkeley's.

FIGURE 12: SHARE OF CREATIVE ECONOMY SELF-EMPLOYED AND GIG-BASED WORKFORCE BY CITY | 2024



Source: U.S. Census Bureau, U.S. Bureau of Labor Statistics, Lightcast, CVL Economics.

At the same time, Performing Arts is among the industries with the highest share of nonprofit organizations. For instance, in Alameda County, over 25% of Performing Arts jobs are in nonprofits, compared to just 9.4% across all industries countywide (Figure 13). The county's nonprofit share in the Performing Arts is also notably higher than the statewide average of 15.8%.

FIGURE 13: SHARE OF NONPROFIT EMPLOYMENT IN BOTH COUNTY AND STATE: PERFORMING ARTS VS. ALL INDUSTRIES | 2024

REGION	SHARE OF PERFORMING ARTS EMPLOYMENT IN NONPROFITS*	SHARE OF TOTAL EMPLOYMENT (ALL INDUSTRIES) IN NONPROFITS
Alameda County	25.1%	9.4%
California	15.8%	7.8%

*Includes employment in NAICS 711 (Performing Arts, Spectator Sports, and Related Industries).

Source: U.S. Bureau of Labor Statistics Nonprofit Establishment Employment and Wage Estimates, CVL Economics.

COMPARISON TO THE OVERALL ECONOMY IN BERKELEY

The picture becomes even more stark when comparing Berkeley's creative economy to the city's overall employment base (Figure 14). Before the pandemic, the creative workforce grew faster than Berkeley's overall economy. Between 2014 and 2018, creative employment surged nearly 15%, compared to about 11% growth in the total workforce. This momentum underscored the sector's potential as one of the city's most dynamic economic drivers, suggesting that, absent disruption, it might have continued to anchor local growth.

The pandemic, however, set the creative economy in Berkeley on a very different trajectory than the overall local economy. While total employment in Berkeley dipped briefly in 2020, it has since resumed a steady upward climb, reaching new highs by 2024. The creative workforce, as noted earlier, has remained stagnant or declined since 2020, and is currently registering at levels observed back in 2013, more than a decade ago. This divergence makes clear that while Berkeley's broader economy has expanded and rebounded, its creative economy, which relies on the Performing Arts industry, has been left behind—changing from a leading growth engine into a sector struggling to regain its footing.

FIGURE 14: CREATIVE ECONOMY EMPLOYMENT GROWTH RATE VS. GROWTH RATE FOR ALL SECTORS IN BERKELEY | 2014–2024

Source: U.S. Census Bureau, U.S. Bureau of Labor Statistics, Lightcast, CVL Economics.

Berkeley's heavy reliance on the Performing Arts—among the hardest-hit and slowest-recovering industries nationwide—has left its creative economy especially vulnerable. **The sector's dual reliance on gig and contract work, alongside its nonprofit-heavy structure, compounds this fragility by tethering organizational stability to fluctuating audience demand, shifting philanthropic priorities, and uncertain public funding.** As a result, Berkeley's creative economy remains more exposed to the ongoing challenges of rebuilding sustainable audiences than many of its regional peers.

Yet despite the sector's slower recovery compared to the broader economy, Berkeley's creative economy remains an essential economic engine. The following economic impact analysis highlights just how significant this activity is for Berkeley and the region—underscoring why the sector's recovery is not simply a cultural priority, but an economic imperative.

CREATIVE ECONOMY ECONOMIC IMPACT ANALYSIS

Entities in the creative economy are part of a broader ecosystem, constantly interacting with other businesses in other industries and consumers. While it is directly composed of the eight defined subsectors outlined earlier (see Figure 1), its reach extends well beyond these boundaries.

Arts organizations and creative firms rely on a wide array of goods and services—purchasing materials, contracting with marketing agencies, and engaging professional services—thereby generating demand across many other industries. At the same time, the people who work in creative jobs—whether performers, designers, technicians, or administrators—spend their earnings on everyday needs like groceries, rent, and childcare. These purchases further help sustain local businesses across many different sectors.

Economic impact analysis is a tool that helps us measure all of these effects—not just the direct output of an industry, but also the chain reaction it sets off across the broader economy, also known as the "multiplier effect." To do this, we break the total impact into three parts: direct, indirect, and induced impacts, the latter two of which constitute the multiplier effect.[8] Together, these layers show the total economic impact of the creative economy through its role in a much larger ecosystem.

- **Direct effect** includes the economic activity that happens within the creative economy sector itself—like sector employee wages, business revenue, and taxes paid.
- **Indirect multiplier effect** captures the activity supported by the creative economy sector's suppliers. For example, a theater might rely on a local costume shop, which in turn buys fabric from a regional wholesaler.
- **Induced multiplier effect** refers to the ripple effect of household spending. When creative economy sector employees or those in related businesses spend their paychecks locally, they help generate jobs and income in industries like food service, retail, and transportation.

To assess the contribution of arts and culture to the local and regional economy, several key indicators are analyzed:

- **Employment impact:** This refers to the total number of jobs supported by the creative economy—both directly (within arts organizations themselves) and indirectly (at supporting businesses), as well as jobs created through household spending by those workers (induced impact).
- **Labor income impact:** This captures the total wages, salaries, and benefits earned by workers across the direct, indirect, and induced layers of activity. It reflects how the sector supports livelihoods throughout the community.
- **Value added impact:** This measures the creative economy's direct contribution to Gross Regional Product (GRP) in Berkeley. Value added reflects the net new wealth created by the sector, including labor income (wages and salaries), taxes on production, and business profits.
- **Fiscal impact:** This measures the tax revenue generated by businesses and workers associated with the creative economy. Tax revenue is broken down by city, county, and state levels.

8 See Appendix A.4 for IMPLAN input-output methodology.

BASELINE IMPACT

The baseline impact reflects the economic impact that originates from creative economy activity within the City of Berkeley's boundaries. These impacts are generated by Berkeley-based entities and include the employment, labor income, and value added that flow directly from activity located in the city.

In 2024, the 8,186 direct jobs in Berkeley's creative economy supported an additional 251 jobs through multiplier effects (indirect and induced), for a total of 8,437 jobs supported citywide tied to the sector (Figure 15). Altogether, Berkeley's creative economy generated $537.5 million in labor income (wages, salaries, and benefits) and contributed more than $1.0 billion to the city's gross regional product (value added). Put another way, **each creative job in Berkeley generated about $66,000 in labor income and $125,000 in value added (contributions to Berkeley's gross regional product).**

These impacts are significant in scale: Berkeley's creative economy accounted for 7.6% of the city's total employment, 5.7% of labor income, and 7.9% of value added across the city in 2024. This underscores the sector's role not only as a major source of jobs and income but also as a key component of the city's overall economic base.

FIGURE 15: CITYWIDE ECONOMIC IMPACT OF BERKELEY'S CREATIVE ECONOMY | 2024

	EMPLOYMENT (JOBS)	LABOR INCOME	VALUE ADDED
DIRECT EFFECT	8,186	$519.6 Million	$979.7 Million
INDIRECT EFFECT	213	$15.3 Million	$22.6 Million
INDUCED EFFECT	38	$2.5 Million	$19.2 Million
TOTAL ECONOMIC IMPACT	**8,437**	**$537.5 Million**	**$1,021.4 Million**
SHARE OF BERKELEY TOTAL	**7.6%**	**5.7%**	**7.9%**

Note: Totals may not be exact due to rounding. Includes impacts associated with private and non-profit entities in Berkeley's creative economy.

Source: IMPLAN, U.S. Bureau of Labor Statistics, U.S. Bureau of Economic Analysis, CVL Economics.

REGIONAL SPILLOVERS ACROSS THE EAST BAY

While the city-level results capture the impacts that occur strictly within Berkeley, creative economy activity doesn't stop at the city's boundaries. Widening the lens to look at the East Bay (Alameda and Contra Costa counties) as a whole, the impact grows because of "leakages," or spillovers—spending that originates in Berkeley but flows outward to suppliers, contractors, and consumer markets located elsewhere in the two-county region as a result of the multiplier effect.

As such, in addition to the 8,437 jobs supported by the creative economy in Berkeley (citywide total employment impact from Figure 15), the sector supported an additional:

- 3,784 indirect jobs by supply-chain spending in other parts of the East Bay. For example, a Berkeley theater company might contract with a fabrication shop in Oakland or Richmond, or a design studio in Berkeley might purchase printing services from a vendor in Hayward or Concord. These transactions represent spillovers out of the city that become economic activity elsewhere in the East Bay.
- 1,821 induced jobs in other parts of the East Bay when creative workers spend their earnings on household needs. A Berkeley-based musician's paycheck might go towards childcare in Alameda or Albany, groceries in San Leandro or Orinda, or shopping in Oakland or Walnut Creek. Those everyday expenditures ripple outward, supporting additional jobs and income across the region.

This means an additional 5,605 jobs were supported by Berkeley's creative economy in other parts of the East Bay (elsewhere in Alameda and Contra Costa Counties) (Figure 16).

FIGURE 16: SPILLOVER ECONOMIC IMPACT OF BERKELEY'S CREATIVE ECONOMY INTO OTHER PARTS OF THE EAST BAY | 2024

	EMPLOYMENT (JOBS)	LABOR INCOME	VALUE ADDED
DIRECT EFFECT	-	-	-
INDIRECT EFFECT	3,784	$307.9 Million	$426.4 Million
INDUCED EFFECT	1,821	$138.6 Million	$254.7 Million
TOTAL ECONOMIC IMPACT	**5,605**	**$420.8 Million**	**$624.0 Million**

Note: As this analysis measures only creative economy activity originating within the City of Berkeley, direct effects occur only within Berkeley, as shown in Figure 15. Totals may not be exact due to rounding. Includes impacts associated with private and non-profit entities in Berkeley's creative economy.

Source: IMPLAN, CVL Economics.

A DEEPER LOOK:

UNDERSTANDING THE MULTIPLIER EFFECT

The multiplier effect (indirect and induced impacts) captures how the impact of the creative economy extends beyond the organizations and workers directly involved in creative activity. Every creative job in Berkeley generates additional activity across a wide range of other industries, through business-to-business (supply-chain) transactions and household spending by industry workers. Because Berkeley is deeply interconnected with the surrounding East Bay economy, these multiplier effects also have a geographic dimension. While some of the secondary activity remains inside city boundaries, much of it naturally flows to nearby communities such as Oakland, Emeryville, Richmond, Albany, El Cerrito, and San Leandro where many vendors are located and workers live.

The multiplier effect of Berkeley's creative economy is evident in the diverse range of industries supported through supply-chain linkages (indirect effects) and household spending (induced effects) (Figure 17). On the supply-chain side, the largest employment impacts occur in industries directly tied to arts and culture production. Promoters of performing arts (i.e., organizations that organize and manage live shows, concerts, theatres, or festivals) (805 jobs) and independent artists, writers, and performers (205 jobs) illustrate how creative activity sustains related fields within the broader arts ecosystem.[9] At the same time, significant spillovers occur in various professional and technical service industries: employment services (376 jobs), other real estate (261 jobs), custom computer programming (168 jobs), and management consulting (160 jobs) all benefit from the demands of creative organizations and firms. Even industries like warehousing and storage (64 jobs), couriers and messengers (108 jobs), and commercial sports (230 jobs) are strengthened through their connections to Berkeley's creative sector.

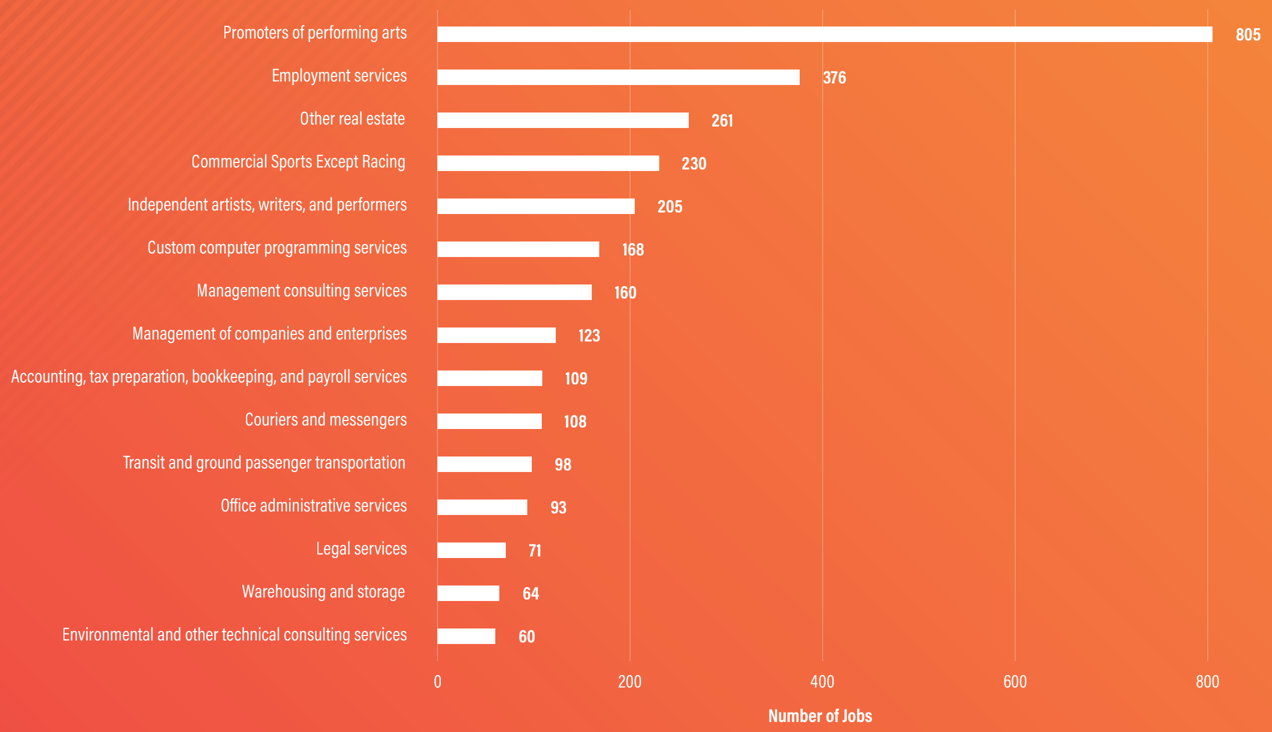
On the household spending side, induced effects spread the benefits in a different way. Creative workers spend their earnings on everyday needs that sustain jobs in restaurants (175 jobs across full- and limited-food service), family services (103 jobs), and healthcare (55 hospital jobs and 48 in physicians' offices). Retail is also a major beneficiary, with creative economy earnings supporting employment in food and beverage stores (51 jobs), general merchandise stores (43 jobs), and other retail outlets. Additional gains are seen in education (37 jobs in other educational services), personal care services (42 jobs), and even auto repair and maintenance (32 jobs).

---

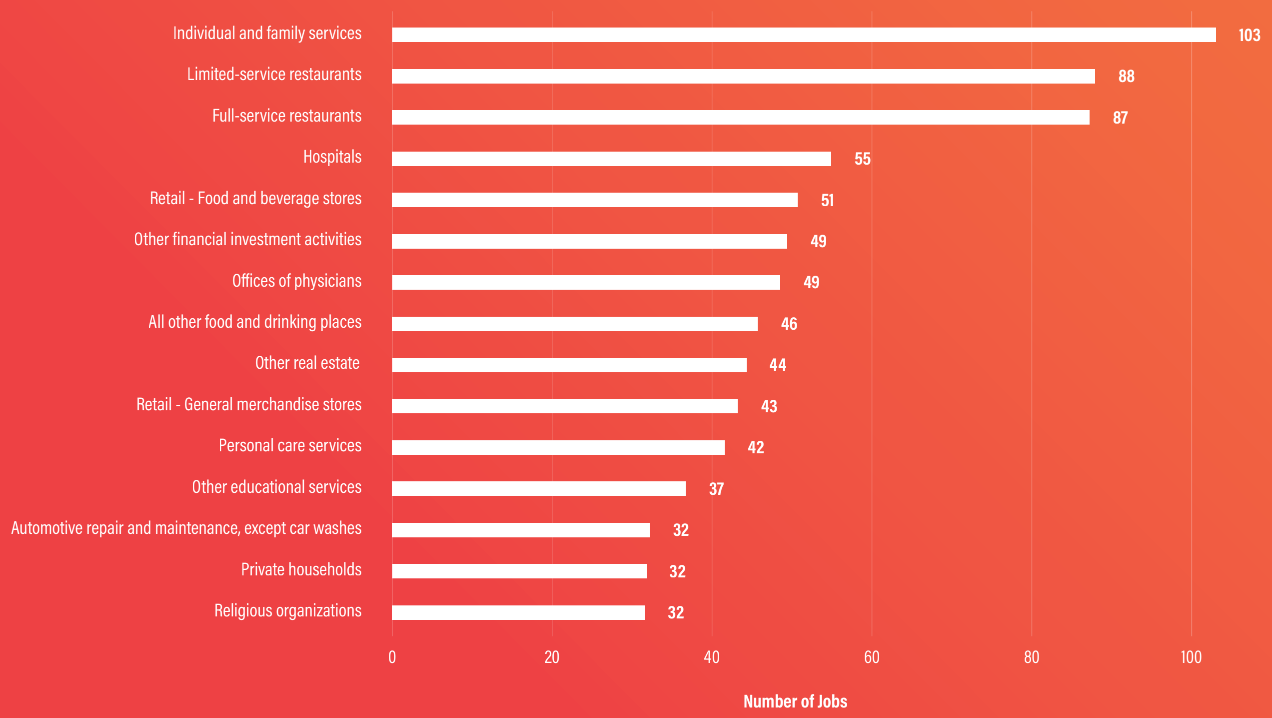
9 Industry titles are reported using IMPLAN's sectoring scheme, which is mapped to the North American Industry Classification System (NAICS).

FIGURE 17: RIPPLE EFFECT OF EAST BAY EMPLOYMENT SUPPORTED BY THE BERKELEY CREATIVE ECONOMY | 2024

A) Indirect Effect (Supply Chain)



B) Induced Effect (Household Spending)



Source: IMPLAN, CVL Economics.

BEYOND THE TICKET:
ARTS AND CULTURE ATTENDEE SPENDING

In considering the broader role of the creative economy, it is important to account for the additional activity generated by visitors to arts and culture establishments. Audiences at performances and visitors to museums often turn their outings into fuller experiences—grabbing a meal at a restaurant, stopping at a café or bar, or browsing nearby shops. This ancillary spending amplifies the value of arts and culture by circulating dollars into multiple sectors and sustaining the vitality of surrounding commercial corridors. The presence of continued arts and culture programming drives foot traffic that sustains nearby businesses and keeps commercial corridors vibrant.

To quantify this effect, CVL Economics used the SMU DataArts Cultural Data Profile database to compile attendance figures for an available sample of Berkeley arts and culture organizations. **Together, the 37 arts and culture venues in Berkeley in this sample group attract roughly 1.4 million attendees annually.**[10]

Spending estimates were drawn from *Arts & Economic Prosperity 6* (Americans for the Arts), which provides audience spending patterns for local regions. While no Berkeley-specific profile exists, spending data from Walnut Creek and San Francisco were averaged to approximate Berkeley's position—more urbanized than Walnut Creek, yet less dense (and with lower associated costs) than San Francisco. Similarly, the average mix of local and nonlocal attendees was applied to get an estimate of spending in Berkeley. This distinction is important because local attendees, who live in the city, generate less new spending when they attend a performance than their nonlocal counterparts. **In total, the average Berkeley local attendee spends $35.76 on additional activities per artistic/cultural event, and the average (nonlocal) attendee from outside Berkeley spends $48.83.**

Applying these patterns to the Berkeley sample group shows **that arts and culture audiences for these organizations generate an estimated $56 million in annual spending at other local businesses** (Figure 18). This includes nearly $30 million at food and drink establishments, $7.6 million at retail stores, $7.2 million on local transportation, and $3.5 million on lodging.

10 SMU DataArts Cultural Data Profile (2017–2024).

FIGURE 18: ANNUAL ARTS AND CULTURE ATTENDEE SPENDING BY CATEGORY FOR 37 ARTS AND CULTURE ORGANIZATIONS IN BERKELEY | 2024

SPENDING CATEGORY	LOCAL ATTENDEES	NONLOCAL ATTENDEES	TOTAL ATTENDEES
Food and Drink	$17.6 Million	$11.8 Million	$29.2 Million
Retail Shopping	$4.5 Million	$3.1 Million	$7.6 Million
Overnight Lodging	$0.6 Million	$3.0 Million	$3.5 Million
Local Transportation	$3.5 Million	$3.7 Million	$7.2 Million
Clothing and Accessories	$2.5 Million	$1.4 Million	$3.8 Million
Groceries and Supplies	$1.8 Million	$0.8 Million	$2.6 Million
Childcare	$0.5 Million	$0.4 Million	$0.9 Million
Other/Miscellaneous	$0.6 Million	$0.5 Million	$1.2 Million
Total Spending	**$31.3 Million**	**$24.6 Million**	**$56.0 Million**

Source: SMU DataArts, Americans for the Arts, CVL Economics.

FISCAL IMPACT

Creative economy activity within the City of Berkeley also generates meaningful public revenues that flow across multiple levels of government. While these activities take place strictly within city boundaries, California's layered tax system distributes the resulting revenues among the City of Berkeley, Alameda County, and the State of California. This means that a single dollar of creative economy activity in Berkeley contributes to multiple jurisdictions simultaneously.

Creative activity contributes to several types of taxes that fund distinct public services (Figure 19). The following are major sources of creative economy tax revenue:

- **Property tax (shared by City of Berkeley and Alameda County)** revenues come from the assessed value of land and buildings occupied by creative organizations and businesses—such as theaters, studios, galleries, or design offices—whether paid directly by the property owner or indirectly through commercial leases. These revenues fund a broad range of public services, from public safety to county-administered programs, including road maintenance and transit services.

- **Sales tax (shared by City of Berkeley, Alameda County, and California)** in the creative sector is typically tied to ancillary transactions like food and beverage concessions, merchandise, or purchases of supplies and equipment. Ticket sales are not included because they are not subject to California sales tax. These revenues are distributed across all three levels of government—supporting the City's general fund, countywide systems administered by Alameda County, and the State's General Fund, which finances education, health and human services, and other statewide priorities.

- **Personal income taxes (California only)** are generated by the wages and self-employment earnings of workers employed in the creative economy, including W-2 employees, freelancers, and gig workers. They are a major source for the State of California's General Fund.

- **Corporate income taxes (California only)** apply to the net profits of for-profit creative firms, such as design practices, production companies, or galleries, while nonprofit entities are generally exempt. These revenues also accrue to the State's General Fund and help sustain statewide systems and programs alongside income taxes.

FIGURE 19: SCENARIOS FOR UNDERSTANDING THE CREATIVE ECONOMY'S TAX REVENUE GENERATION

TAX TYPE & COLLECTOR	SCENARIO 1: NONPROFIT THEATER COMPANY	SCENARIO 2: PRIVATE DESIGN FIRM
PROPERTY TAX (City, County)	Theater company leases its space; tax is assessed on the property owner but is effectively built into rent.	Firm leases its space; tax is assessed on the property owner but is effectively built into rent.
SALES TAX (City, County, State)	Sales tax collected on concessions (food, drink), merchandise, and taxable rentals. Ticket sales exempt.	Core design services exempt. Sales tax applies to tangible goods (printed collateral, models, branded merchandise) and on taxable inputs purchased by the firm.
PERSONAL INCOME TAX (State)	Actors, stage crew, and set designers pay income tax on wages or self-employment income.	Designers, administrative staff, and contractors pay state income tax on wages or self-employment income.
CORPORATE INCOME TAX (State)	Exempt as a nonprofit.	Corporate profits taxed at the state level.

Source: CVL Economics.

DIRECT TAX BENEFITS

Creative economy activity in Berkeley generates tax dollars that flow into the City's General Fund, which provides flexible revenues that are budgeted to core municipal services, such as public safety and personnel. Unlike special district revenues that are legally restricted to specific purposes, General Fund revenues represent the City's discretionary pool.

In fiscal year 2024, the City of Berkeley's General Fund was budgeted at $273.4 million.[11] Of this, based on the IMPLAN modeling described above which includes the impact of multiplier effects, the creative economy generated an estimated $10.7 million in tax revenues (Figure 20), equal to nearly 4% of the City's discretionary tax base. The largest contributions came from sales taxes, where creative sector activity accounted for more than 15% of total collections, and property taxes at 4%.

11 City of Berkeley, Adopted Budget for Fiscal Year 2025 & 2026 (PDF). Available at: https://berkeleyca.gov/sites/default/files/documents/FY-2025-2026-Proposed-Biennial-Budget.pdf.

FIGURE 20: CITY OF BERKELEY GENERAL FUND (GF) TAX REVENUE GENERATED BY BERKELEY'S CREATIVE ECONOMY | 2024

SOURCE OF REVENUE	CREATIVE ECONOMY GF TAX REVENUE	FY2024 EST. ACTUAL GF REVENUE (TOTAL GF REVENUE)	CREATIVE ECONOMY SHARE OF TOTAL GF REVENUE
PROPERTY TAX	$4.6 Million	$116.0 Million	4.0%
SALES TAX	$2.9 Million	$18.7 Million	15.6%
ALL OTHER TAXES*	$3.2 Million	$138.7 Million	2.3%
TOTAL GENERAL FUND TAX REVENUE	**$10.7 Million**	**$273.4 Million**	**3.9%**

Note: Totals may not be exact due to rounding. Includes impacts associated with private and non-profit entities in Berkeley's creative economy.

* "All Other Taxes" for the creative economy include Business License Taxes, Utility Users Taxes, Cannabis Taxes, and other smaller categories. For the City's total General Fund, this category also includes revenues not meaningfully generated by creative economy activity, such as Vehicle License Fees, Ambulance Fees, Interest Income, Franchise Fees, Indirect Cost Reimbursements, and Transfers.

Source: IMPLAN, City of Berkeley, CVL Economics.

SUPPORT FOR REGIONAL SYSTEMS THAT RETURN VALUE LOCALLY

Beyond the direct benefit to Berkeley residents through City revenues, the tax dollars generated by Berkeley's creative economy for county and state jurisdictions also strengthen the regional and statewide system that Berkeley's population depends on.

In 2024, Berkeley's creative economy generated $14.3 million in Alameda and Contra Costa County revenues (most is appropriated through Alameda County since that is where Berkeley activity is directly located) and $74.6 million in state revenues (Figure 21). County revenues flow into systems that the City does not operate directly, but that are critical for residents, including public health programs, social services, elections, courts, and jails. State revenues, meanwhile, are collected through income, sales, and corporate taxes and deposited into California's General Fund, which supports K–12 and higher education (the State General Fund is the largest source of public support for UC Berkeley), Medi-Cal, and other health programs. Though administered at the county and state levels, these dollars cycle back to Berkeley by funding schools, public universities, healthcare access, and regional services that residents use every day.

FIGURE 21: COUNTY AND STATE TAX REVENUE GENERATED BY BERKELEY'S CREATIVE ECONOMY | 2024

SOURCE OF REVENUE	REVENUE FOR ALAMEDA & CONTRA COSTA COUNTIES	REVENUE FOR THE STATE OF CALIFORNIA
STATE OF CALIFORNIA	-	$25.5 Million
PROPERTY TAX	$12.3 Million	
SALES TAX	$0.6 Million	$25.6 Million
CORPORATE TAX	-	$14.2 Million
OTHER TAX	$1.4 Million	$9.3 Million
TOTAL TAX REVENUE	**$14.3 Million**	**$74.6 Million**

Note: Totals may not be exact due to rounding. Includes impacts associated with private and non-profit entities in Berkeley's creative economy.

Source: IMPLAN, CVL Economics.

RETURN ON INVESTMENT

The City of Berkeley provides grant funding to arts and culture organizations, festivals, and individuals through its robust Civic Arts Grant Program, established in 1991.

The Civic Arts Grant Program aims to strengthen Berkeley's arts ecosystem by directly supporting individual artists, organizations, and festivals that expand cultural access, foster equity and inclusion, and contribute to the city's creative vitality and economic vibrancy.[12]

Over the past decade, the program has expanded significantly in scale, with annual direct investment increasing from $230,000 in fiscal year (FY) 2016 to approximately $700,000 annually since FY2022 (Figure 22).[13] Funding is distributed across three primary categories: Individual Artist Project Grants, Community Festival Grants, and General Operating Support for arts organizations.

12 For more information, visit the City of Berkeley's Civic Arts Grants page: https://berkeleyca.gov/community-recreation/civic-arts/civic-arts-grants.

13 City of Berkeley, *Civic Arts Grants Program – Improved Practices & Community Impact* (Work Session Item 01), March 21, 2023, https://berkeleyca.gov/sites/default/files/documents/2023-03-21%20WS%20Item%2001%20Civic%20Arts%20Grants%20Program.pdf.

FIGURE 22: BERKELEY CIVIC ARTS GRANTS ALLOCATIONS | FY2016–FY 2024

FISCAL YEAR	TOTAL GRANT AMOUNT AWARDED	NUMBER OF GRANTS	AVERAGE GRANT SIZE
FY2016	$229,100	53	$4,323
FY2017	$378,848	56	$6,765
FY2018	$497,510	61	$8,156
FY2019	$500,000	63	$7,937
FY2020	$650,199	90	$7,224
FY2021	$579,493	94	$6,165
FY2022	$714,470	104	$6,870
FY2023	$696,996	114	$6,114
FY2024	$698,782	97	$7,204

Source: City of Berkeley, CVL Economics.

In FY 2024, the City of Berkeley awarded $698,782 in Civic Arts Grants to 55 arts and culture organizations, 31 community festivals, and 11 individual artist projects (97 grants total).[14] This investment sustains year-round organizational programming in Berkeley, supports artists' livelihoods, and improves community access to diverse cultural experiences. To provide a better sense of the significance of this support, we estimate the City's return on investment using the following process outlined below.

In 2024, the organizations and festivals receiving Civic Arts Grants reported a combined operating revenue of $131 million. CVL Economics estimated the total operating revenue of grantee organizations by compiling financial data from the IRS Exempt Organizations Business Master File. For festivals, revenue was attributed to the organizing entity (unless the festival was an entity itself); in some cases, the same organization received both a grant for its annual programming and a separate grant to support a festival it manages. In aggregate, however, these awards represent funding to a single entity, and the reported revenues reflect the full scope of that organization's operations.

While most revenue data was available through IRS tax filings, there were a few data gaps in organizational revenue availability. Adjustments were made where necessary—for example, nonprofits with annual revenues under $50,000 are not required to submit total revenue figures to the IRS, and CVL Economics developed reasonable estimates recognizing the relatively small scale of these entities. In a few cases where 2024 revenue data was not yet available, 2023 filings were used as a proxy to ensure consistency across the analysis. In addition, in 2024 the program distributed $44,000 in project grants to individual artists, functioning as direct income in exchange for their creative work.

When accounting for both direct activity and the broader ripple effects across the local economy, **these organizations and individuals that received grants from the City of Berkeley together generated $137.4 million in economic activity within the City of Berkeley.** This estimate was developed using IMPLAN input–output modeling, capturing not only the direct contributions of grantees and their employees, but also the supply chain effects on local vendors, contractors, and service providers, along with the induced spending of households supported by arts-related jobs. In other words, every $1 of Civic Arts Grant funding supported nearly $197 in total economic activity across the City of Berkeley. Overall, the City's investments supported about 7.5% of the total economic activity generated by its creative economy.

14 City of Berkeley, Fiscal Year 2024 Civic Arts Grant Awards (Information Calendar), October 10, 2023, https://berkeleyca.gov/sites/default/files/documents/2023-10-10%20Item%2015%20Fiscal%20Year%202024%20Civic%20Arts%20Grant.pdf.

PUBLIC ART PROGRAM AND PANDEMIC RELIEF AND RECOVERY GRANTS

In addition to its Civic Arts Grants program, the City of Berkeley provides substantial support for the local creative economy through its Public Art Program. Unlike the Civic Arts Grants, which are allocated annually from the City's General Fund, Public Art funding is generated primarily through Berkeley's Public Art ordinances, which dedicate a portion of capital project budgets to commissioning, installing, and maintaining public artworks, as well as through in-lieu fees paid by private developers who opt to contribute funds rather than install art on their buildings. This structure means that funding levels are driven by the scale and timing of both municipal capital projects and private development activity, both of which can be cyclical, rather than a fixed appropriation. Because these allocations are tied to specific artworks and capital improvements—rather than to flexible operating support—they are not included in the ROI analysis, which focuses on General Fund dollars that flow directly into organizational capacity and community programming.

Public Art Program expenditures nevertheless represent a meaningful municipal investment in Berkeley's cultural landscape. Over the past five fiscal years, annual expenses have ranged from $276,656 in FY21 to nearly $923,475 in FY23. The spike in FY23 reflects one-time allocations from the City's T1 Infrastructure and Facilities Bond,[15] which funded new public art commissions and conservation projects in conjunction with broader civic improvements. More recent spending totaled $407,212 in FY24 and $624,035 in FY25.[16] The City maintains a digital catalog of its public art collection, including an interactive map that allows residents and visitors to explore artworks across the community.[17]

Furthermore, in rapid response to the widespread impacts of the COVID-19 pandemic on the local arts and culture sector, **the City of Berkeley awarded more than $3 million in emergency relief and recovery grants between 2020 and 2022.** This included $2.5 million to 88 arts and culture organizations and over $520,000 to 193 individual artists. Although these were one-time allocations, they were extraordinary in scale and helped many organizations withstand the most difficult periods of pandemic shutdowns. **Every $1 of the City's emergency investments spurred by the pandemic leveraged at least $5.64 in sustained arts and culture economic activity that might otherwise have been lost entirely.**[18] The impacts of these investments are detailed in the companion report (published concurrently), entitled *Assessment of Berkeley Arts & Culture Pandemic Relief and Recovery Funding.*

15 City of Berkeley, Measure T1: Infrastructure and Facilities Bond, https://berkeleyca.gov/your-government/our-work/bond-revenue-measures/measure-t1.

16 Jennifer Lovvorn, Chief Cultural Affairs Officer at City of Berkeley, email to CVL Economics, September 26, 2025.

17 City of Berkeley, City of Berkeley Public Art Collection, https://www.artworkarchive.com/profile/civicartscollection/portfolio.

18 City of Berkeley, Assessment of Berkeley Arts & Culture Pandemic Relief and Recovery Funding, prepared by CVL Economics, October 2025.

FINAL CONSIDERATIONS

PRE-PANDEMIC MOMENTUM LOST

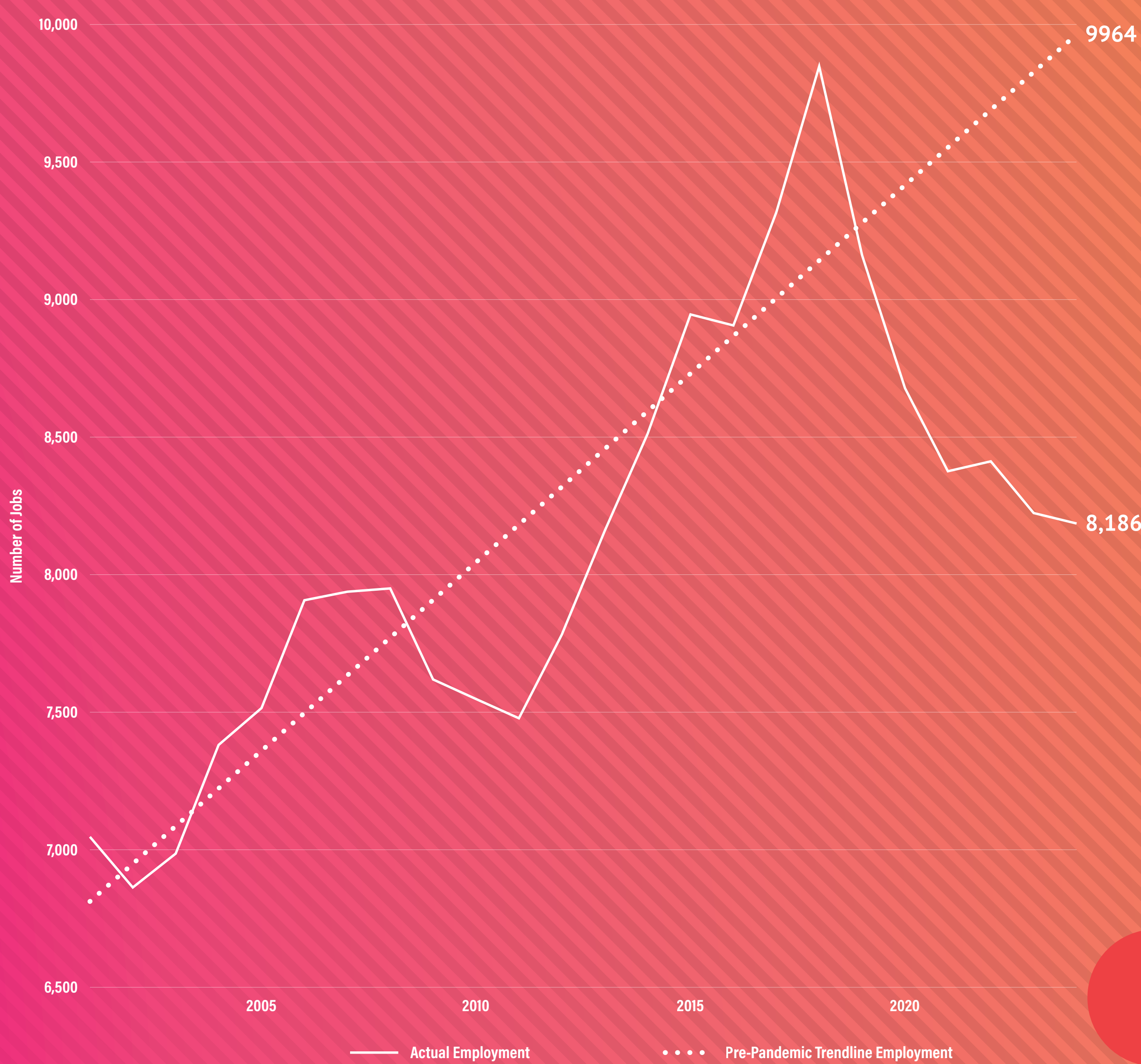
While the creative economy in Berkeley delivers significant impacts today, it is important to recognize the strength and momentum the sector had prior to the pandemic. In 2018, creative employment in Berkeley had climbed to a peak of nearly 9,850 jobs—growth that not only outpaced overall citywide employment, but also exceeded the expansion of creative sectors in neighboring regions. That momentum was abruptly halted when the pandemic hit. The shutdown of 2020 erased all of the gains built over the previous decade; today, Berkeley's creative sector sits 17% below its 2018 peak and is aligned with employment levels experienced in 2013.

What had long been one of Berkeley's greatest cultural strengths—its concentration of live performance venues and nonprofit arts organizations—quickly became a vulnerability when in-person gatherings were deemed unsafe. Live theater, music, and dance were among the first to close and the last to return, severing both earned and ancillary revenue streams. This challenge was compounded by Berkeley's high proportion of nonprofit organizations, which made the sector particularly reliant on philanthropic and public funding sources. As emergency relief and federal grant programs have wound down, many of these funding streams have diminished, leaving organizations with fewer resources to sustain operations.

Unlike other industries that have since rebounded, Berkeley's creative economy has continued to decline year after year, leaving a widening gap between its current scale and the trajectory it was once on. Its strength in live performance—one of the sectors hardest hit by shutdowns and slowest to recover—made the creative economy especially vulnerable, while reliance on gig work, high local costs, and cautious audiences further compound the challenges.

The divergence between actual outcomes and the projected pre-pandemic trend highlights what has been lost, including nearly 1,800 more jobs than what was observed in 2024 (Figure 23). Those unrealized jobs represent more than just employment—they translate into lost wages, reduced household spending, and diminished tax revenues. If the pre-pandemic trajectory had held, Berkeley's creative economy would not only employ more people, but also generate higher levels of labor income and value added (contributions to the City's gross regional product) than currently measured citywide.

FIGURE 23: ACTUAL CREATIVE ECONOMY EMPLOYMENT VS. PRE-PANDEMIC TRENDLINE IN BERKELEY



Source: U.S. Census Bureau, U.S. Bureau of Labor Statistics, Lightcast, CVL Economics.

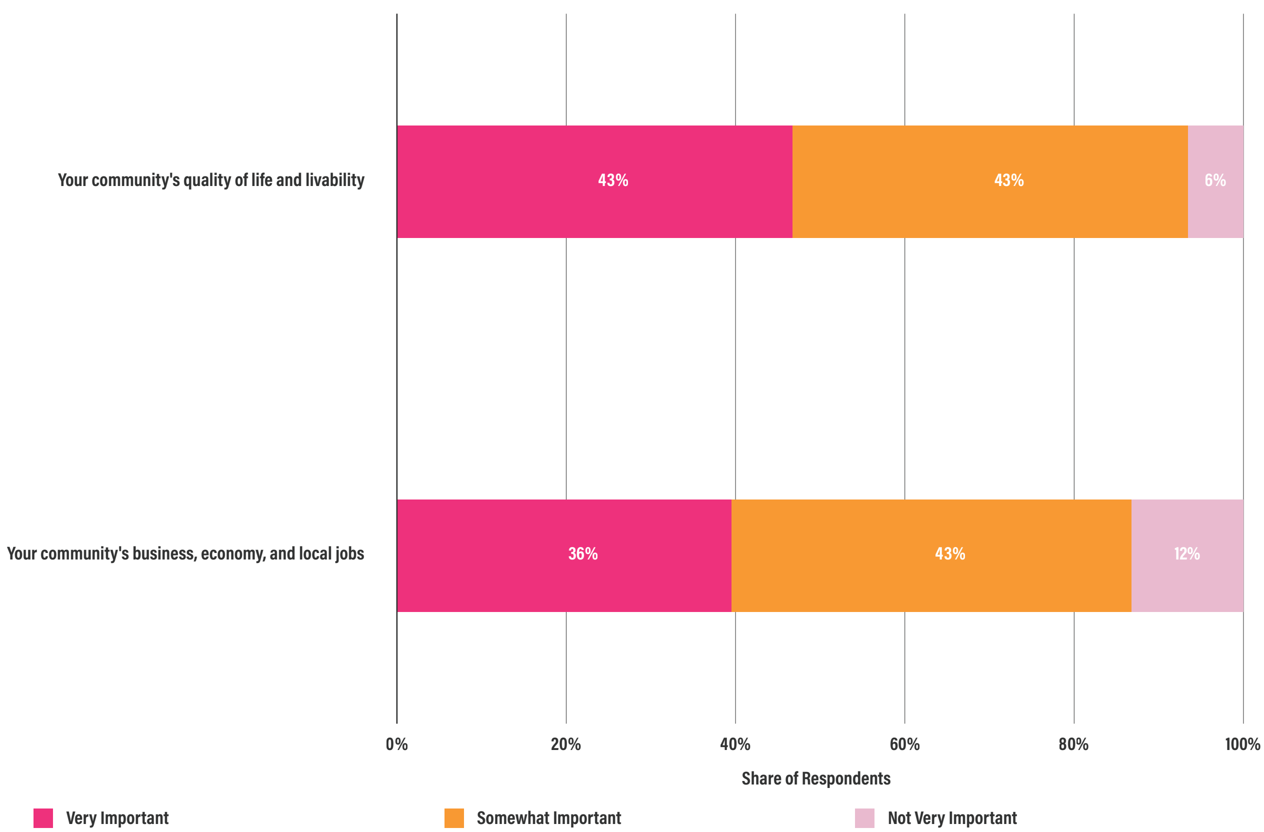
ARTS AND CULTURE AS ENGINES OF ECONOMIC VITALITY

Beyond the numbers, the creative economy plays a central role in shaping Berkeley's identity, quality of life, and appeal as a place to live and work. A strong creative sector enriches the city with performances, festivals, cultural institutions, and design-driven businesses that make Berkeley distinctive within the Bay Area and attractive to both residents and employers.

This connection between creativity and community wellbeing is not unique to Berkeley—it reflects a broader national understanding of the arts' role in civic life. A 2023 nationwide survey conducted by Americans for the Arts reveals that a vast majority of Americans share this view: 86% agreed that arts and culture are important to their community's overall quality of life and livability, and 79% affirmed the importance of arts and culture to supporting local businesses, the economy, and jobs (Figure 24).[19]

FIGURE 24: PUBLIC PERCEPTIONS OF THE ROLE OF ARTS AND CULTURE IN COMMUNITY WELLBEING IN THE U.S.

How important, if at all, do you think having arts and culture are to...



Source: Americans for the Arts.

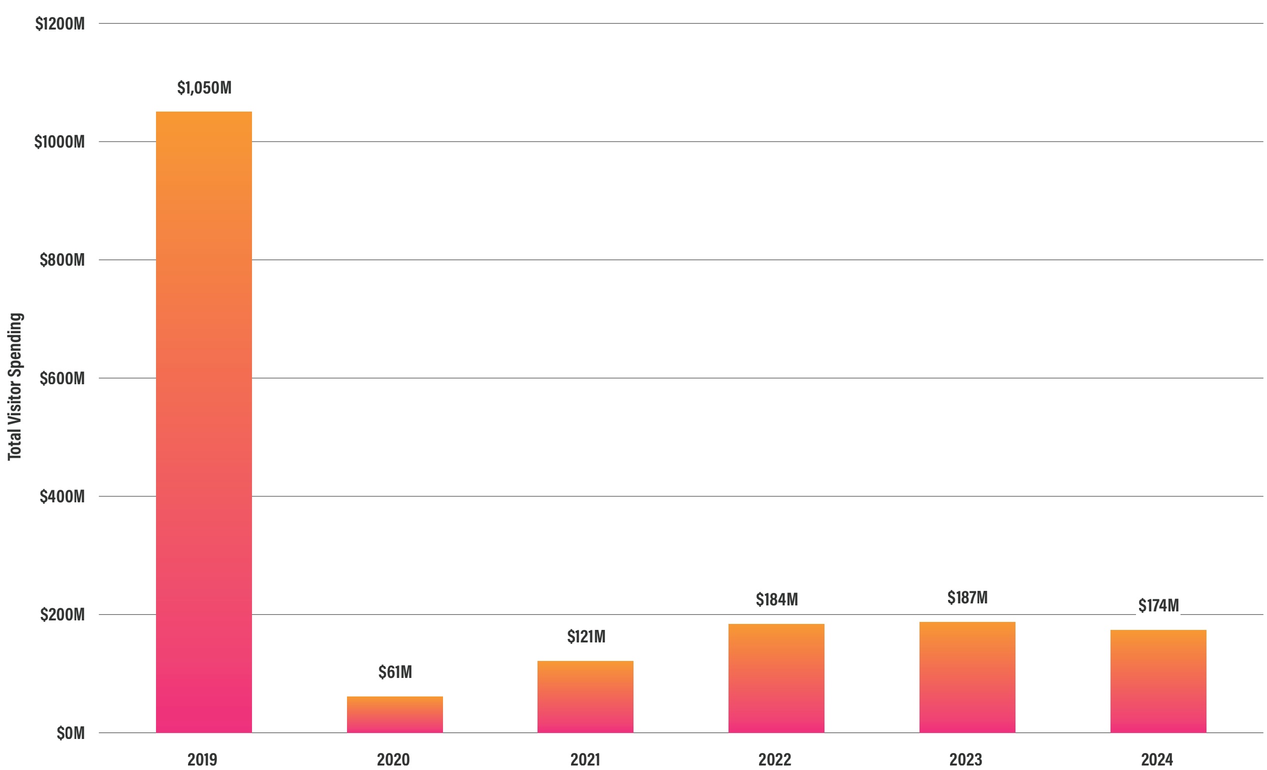
19 Americans for the Arts, Americans Speak Out About the Arts: An In-Depth Look at Public Perceptions and Attitudes About Arts & Culture in America in 2023, December 2024. https://www.americansforthearts.org/sites/default/files/AFTA_2023_Public%20Opinion%20Study_FINAL_12.4.24.pdf

The significance of arts and culture extends directly to the vitality of downtowns and commercial districts. Cultural venues—such as theaters, galleries, and music spaces—serve as anchors that drive foot traffic, activate public spaces, and generate demand for nearby restaurants, bars, and retail establishments. These dynamics not only support small businesses but also contribute to perceptions of safety and livability by ensuring that public areas remain active and inviting across a range of hours and days of the week. Investments in arts and culture have proven to be catalysts for broader downtown revitalization, sparking further private investment and creating a multiplier effect that benefits the entire local economy.

Berkeley itself has long recognized this connection. The establishment of the Downtown Arts District along Addison Street in the 1990s and early 2000s was a deliberate recognition of arts and culture's role in economic development as the city faced an 18% ground-floor vacancy rate downtown.[20] By clustering cultural venues along Addison Street and leveraging relatively modest public investment into tens of millions in private dollars, Berkeley transformed a struggling downtown corridor into a vibrant destination that continues to anchor the city's economic and cultural identity.

Berkeley's recent downward trends underscore what is at stake, threatening to erode the progress built from the 1990s through 2020. Visitor spending in the city fell from over $1 billion in 2019 to just $174 million in 2024 (Figure 25), while the Downtown Berkeley commercial vacancy rate (including office and retail spaces) sat at nearly 11% in 2024, more than double pre-pandemic levels in 2019 (Figure 26). Office vacancies have driven much of this increase as remote work has become more prevalent, but ground floor retail and restaurant spaces have also struggled.

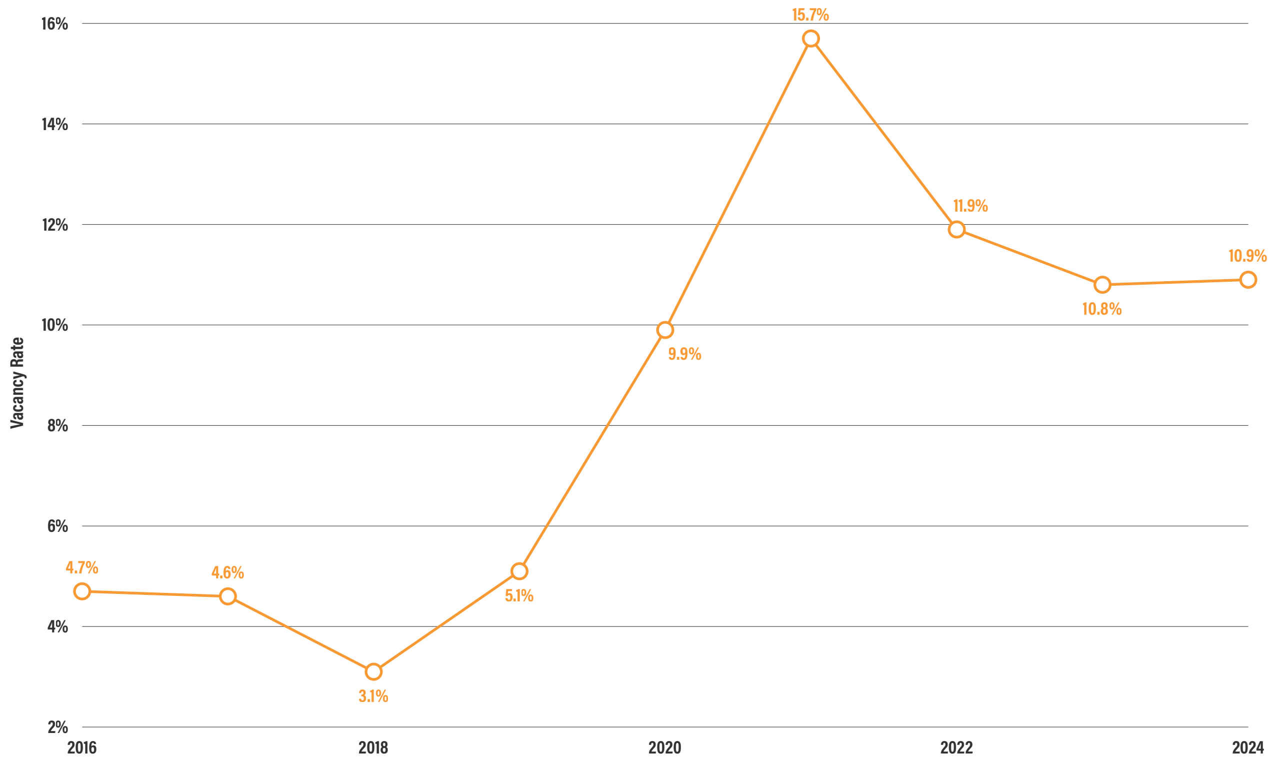
FIGURE 25: TOTAL SPENDING BY VISITORS TO BERKELEY | 2019–2024



Source: Visit Berkeley, Placer.ai, CVL Economics.

20 City of Berkeley, Arts as Economic Development, presented by M. Caplan at the U.S. Mayors Innovation Conference, August 2016. Available online: https://berkeleyca.gov/sites/default/files/2022-02/ArtsDistrict_Panel_CoB_8.27.2016.pdf.

FIGURE 26: DOWNTOWN BERKELEY GROUNDFLOOR COMMERCIAL VACANCY RATE | 2016–2024



Note: Includes office and retail properties.
Source: City of Berkeley Office of Economic Development, CVL Economics.

These findings can help shape practical solutions for Berkeley's long-term recovery and the resilience of its diverse economy. As work continues to shift from traditional 9 to 5 office schedules to flexible, remote arrangements, the daytime worker presence that once sustained downtown retail, hospitality, and cultural activity has diminished. The outmigration of higher-wage workers to places with lower costs of living has left central business districts in Bay Area downtowns more vulnerable to shrinking audiences and weaker engagement with arts and culture.

Revitalizing downtown does not mean reverting to pre-pandemic models. To counter falling visitor spending and rising vacancies, Berkeley must reimagine how investment in the creative economy can drive renewal. Orienting economic development around the creative and nighttime economies is one of the most effective strategies for sparking new energy, with efforts focused on leveraging existing arts, culture, and entertainment amenities to attract residents and visitors alike. Sustaining and growing Berkeley's creative economy—especially its artists, arts organizations, and festivals—is essential to preserving the qualities that make the city a place where people want to live, work, and visit.

APPENDIX

A.1: CREATIVE ECONOMY INDUSTRY CLASSIFICATION CODES

To ensure clarity and comparability, the definition of the creative economy is grounded in the North American Industry Classification System (NAICS), the federal standard used by the Bureau of Labor Statistics and Bureau of Economic Analysis. Using NAICS codes allows us to map creative industries consistently across geographies over time, and to model their economic contributions. While no single code fully captures the breadth of the creative economy, assembling a curated set of codes provides a robust picture of the industry.

FIGURE A.1 CREATIVE ECONOMY INDUSTRY CLASSIFICATION CODES

INDUSTRY CATEGORY AND DESCRIPTION	NAICS
ARCHITECTURE & DESIGN	
Ornamental and Architectural Metal Work Manufacturing	332323
Architectural Services	541310
Landscape Architectural Services	541320
Drafting Services	541340
Interior Design Services	541410
Industrial Design Services	541420
COMMUNICATION DESIGN	
Graphic Design Services	541430
Advertising Agencies	541810
Photography Studios, Portrait	541921
Commercial Photography	541922
ENTERTAINMENT & DIGITAL MEDIA	
Motion Picture and Video Production	512110
Motion Picture and Video Distribution	512120
Teleproduction and Other Postproduction Services	512191
Sound Recording Studios	512240
Software Publishers	513210
Radio Broadcasting Stations	516110
Television Broadcasting Stations	516120
Media Streaming Distribution Services, Social Networks, Other Media Networks and Content Providers	516210

INDUSTRY CATEGORY AND DESCRIPTION	NAICS
FASHION	
Fiber, Yarn, and Thread Mills	313110
Broadwoven Fabric Mills	313210
Narrow Fabric Mills and Schiffli Machine Embroidery	313220
Nonwoven Fabric Mills	313230
Knit Fabric Mills	313240
Textile and Fabric Finishing Mills	313310
Fabric Coating Mills	313320
Apparel Knitting Mills	315120
Cut and Sew Apparel Contractors	315210
Cut and Sew Apparel Manufacturing (except Contractors)	315250
Apparel Accessories and Other Apparel Manufacturing	315990
Footwear Manufacturing	316210
Other Leather and Allied Product Manufacturing	316990
Toilet Preparation Manufacturing	325620
Jewelry and Silverware Manufacturing	339910
Jewelry, Watch, Precious Stone, and Precious Metal Merchant Wholesalers	423940
Piece Goods, Notions, and Other Dry Goods Merchant Wholesalers	424310
Footwear Merchant Wholesalers	424340
Clothing and Clothing Accessories Merchant Wholesalers	424350
Other Specialized Design Services	541490
FINE ARTS SCHOOLS	
Fine Arts Schools	611610
FURNITURE, TOYS & DECORATIVE ARTS	
Carpet and Rug Mills	314110
Curtain and Linen Mills	314120
Textile Bag and Canvas Mills	314910
Rope, Cordage, Twine, Tire Cord, and Tire Fabric Mills	314994
All Other Miscellaneous Textile Product Mills	314999
Pottery, Ceramics, and Plumbing Fixture Manufacturing	327110
Other Pressed and Blown Glass and Glassware Manufacturing	327212
All Other Miscellaneous Nonmetallic Mineral Product Manufacturing	327999
Wood Kitchen Cabinet and Countertop Manufacturing	337110
Upholstered Household Furniture Manufacturing	337121
Nonupholstered Wood Household Furniture Manufacturing	337122
Household Furniture (except Wood and Upholstered) Manufacturing	337126
Institutional Furniture Manufacturing	337127

INDUSTRY CATEGORY AND DESCRIPTION	NAICS
Wood Office Furniture Manufacturing	337211
Custom Architectural Woodwork and Millwork Manufacturing	337212
Office Furniture (except Wood) Manufacturing	337214
Showcase, Partition, Shelving, and Locker Manufacturing	337215
Mattress Manufacturing	337910
Blind and Shade Manufacturing	337920
Doll, Toy, and Game Manufacturing	339930
Furniture Merchant Wholesalers	423210
Home Furnishing Merchant Wholesalers	423220
Toy and Hobby Goods and Supplies Merchant Wholesalers	423920
PUBLISHING & PRINTING	
Commercial Printing (except Screen and Books)	323111
Commercial Screen Printing	323113
Books Printing	323117
Support Activities for Printing	323120
Book, Periodical, and Newspaper Merchant Wholesalers	424920
Newspaper Publishers	513110
Periodical Publishers	513120
Book Publishers	513130
Directory and Mailing List Publishers	513140
Greeting Card Publishers	513191
All Other Publishers	513199
Libraries and Archives	519210
VISUAL & PERFORMING ARTS	
Musical Instrument Manufacturing	339992
Art Dealers	459920
Theater Companies and Dinner Theaters	711110
Dance Companies	711120
Musical Groups and Artists	711130
Other Performing Arts Companies	711190
Agents and Managers for Artists, Athletes, Entertainers, and Other Public Figures	711410
Independent Artists, Writers, and Performers	711510
Museums	712110

*Note: In addition to the NAICS codes used to define Visual & Performing Arts, employment figures were adjusted to include three major arts and culture institutions at University of California, Berkeley, that would otherwise fall under the broader "colleges and universities" classification: Cal Performances, the Greek Theatre, and the Berkeley Art Museum and Pacific Film Archive. Employment data was provided by these entities directly.

A.2: BERKELEY BUSINESS COUNT METHODOLOGY

Data on Total Businesses is sourced from the City of Berkeley Active Business License (BL) dataset. Total Nonprofit data is sourced from the Internal Revenue Service Tax-Exempt Organizations Business Masterfile (IRS EO BMF).

Total Business Count

The BL file provides the most comprehensive and locally specific inventory of business establishments available, capturing sole proprietorships, small enterprises, and other entities that are often excluded from federal datasets. While we know the BL file omits some arts organizations noted above, the reported total of 12,783 businesses is likely only a modest undercount. Even with this limitation, the BL dataset remains the most robust and locally accurate source for understanding the full scope of business activity in the city.

We benchmark the BL dataset against two other common sources for business counts: the U.S. Census Bureau County Business Patterns (CBP), which captures only employer establishments with payroll (and thus undercounts small nonprofits) and carries a 2-year reporting lag; and the U.S. Bureau of Labor Statistics (BLS) Quarterly Census of Employment and Wages (QCEW), which provides establishment counts for payroll businesses at the county, metropolitan statistical area (MSA), and state levels (Figure A.2.2).

FIGURE A.2.1 TOTAL BUSINESS COUNT CROSS-REFERENCES IN BERKELEY

SOURCE	REGION	TOTAL BUSINESSES	TOTAL ARTS & CULTURE BUSINESSES
Berkeley Active BLs (2025)	Berkeley	12,783	650
CBP Establishments (2023)	Berkeley	4,279	139
QCEW Establishments (2024)	Alameda County*	71,737	2,335

*For reference, Berkeley employment accounts for about 10% of total Alameda County employment.

Nonprofit Organization Count

The IRS EO BMF is a national database of organizations recognized as tax-exempt under section 501(c) of the Internal Revenue Code. This dataset is updated monthly and serves as the most comprehensive listing of nonprofit entities in the U.S. It includes key information such as Employer Identification Number (EIN), ruling date, subsection designation, filing status, and industry. For analytic purposes, the IRS dataset is widely used to benchmark the size and scope of the nonprofit sector because it applies consistent classification standards across jurisdictions and time periods. For this analysis, arts-related nonprofits were identified using National Taxonomy of Exempt Entities (NTEE) codes in the "A" category (Arts, Culture, and Humanities), which map onto the industry NAICS codes used to define the creative economy.

CVL Economics uses the IRS file for nonprofit counts. The Berkeley BL dataset lists only 63 arts and culture nonprofits, which is a smaller number than what is present in the IRS findings. For example, several organizations known to be operational in Berkeley are not listed in the BL spreadsheet. In addition, the 2017 Arts and Culture Plan Update 2018–2027 indicates 152 arts nonprofits in Berkeley. In this context, the IRS count of 193 arts and culture nonprofits appears most consistent with the broader evidence presented in the table below (Figure A.2.2).

FIGURE A.2.2 NONPROFIT COUNT CROSS-REFERENCES IN BERKELEY

SOURCE	TOTAL NONPROFITS	TOTAL ARTS & CULTURE NONPROFITS
IRS Tax-Exempt Organization Masterfile (2025)	1,407	193
City of Berkeley Active Business Licenses (2025)	634	63
City of Berkeley Internal Compiled Arts & Culture Organization List (2025)*	n/a	187
Arts and Culture Plan Update - Economic Impact Report of the Arts in Berkeley (2017)**	n/a	152
City of Berkeley Pandemic Relief and Recovery Grant Recipients (2025)***	n/a	71

* An internal list of organizations compiled by the City of Berkeley that includes those listed in the City internal database (such as the Civic Arts Operating Grant program), organizations compiled by Visit Berkeley, and members of the Berkeley Cultural Trust.

** An economic impact report conducted in 2017 on the impact of Berkeley arts and culture nonprofit organizations, see section A.5 below.

***In 2020 and 2022, the City of Berkeley issued pandemic relief and recovery grants in response to the devastating toll of the COVID-19 pandemic. Grants were issued to 88 Berkeley-based nonprofit arts and culture organizations, of which 71 are still operating today.

Additional Data References on Berkeley's Arts and Culture Nonprofit Composition

Note that the methodology above estimates that 30% of creative economy businesses and 11% of total businesses (All Industries) are nonprofit organizations. To further benchmark this composition, we draw on the BLS Nonprofit Establishment Employment and Wage Estimates dataset. While that dataset is limited to state, county, or Metropolitan Statistical Area (MSA) geographies, offers limited NAICS detail, and the most recent data year is 2022, it supports benchmarking for the creative economy using NAICS 711 (Performing Arts)—Berkeley's largest creative sector. When we adjust the business-count methodology above to focus on Performing Arts (NAICS 711), about 28% of Berkeley's Performing Arts businesses are nonprofits. This is comparable to the shares shown in Figure A.2.3.

FIGURE A.2.3 BLS NONPROFIT ESTABLISHMENT EMPLOYMENT AND WAGE ESTIMATES (2022)

REGION	PERCENT TOTAL BUSINESSES NONPROFIT	PERCENT NAICS 711 BUSINESSES NONPROFIT	PERCENT TOTAL EMPLOYMENT NONPROFIT	PERCENT NAICS 711 EMPLOYMENT NONPROFIT
Alameda County	4%	22%	9%	25.1%
Bay Area MSA	4%	23%	9%	36.8%
California	2%	4%	8%	15.8%

Methodology Considerations

IRS nonprofit filings and City active business licenses are based on different reporting systems. IRS counts reflect the number of federally recognized nonprofit entities, whereas business license data reflects locally registered operations. The IRS EO BMF dataset is therefore a more standardized and comprehensive source for counting nonprofit organizations because it captures all federally recognized tax-exempt entities, regardless of local business-license status.

Some nonprofits may not appear in City records due to reporting gaps, classification issues, or exemptions from local registration requirements, yet they will still appear in the IRS file as long as their tax-exempt status is active. For measuring the nonprofit landscape—especially for standardization and comparisons across jurisdictions and time periods—the IRS dataset is the most reliable count, while City BL data remains valuable for the broader local business context. Although these measures are not perfectly interchangeable, together they provide useful benchmarks on the scale and structure of the City of Berkeley's creative economy.

A.3: CREATIVE ECONOMY EMPLOYMENT DOCUMENTATION

Measuring employment in the creative economy requires going beyond traditional payroll data sources. Standard datasets, such as the U.S. Bureau of Labor Statistics Quarterly Census of Employment and Wages (QCEW), provide a solid baseline for tracking salaried jobs, but they capture only part of the picture. Creative work often falls outside of conventional salaried employer–employee arrangements, relying instead on independent contracting, self-employment, and gig labor. To produce a more accurate account of the sector, our analysis incorporates multiple employment categories, each drawn from established federal datasets that are widely used in labor market research and economic modeling.

Salaried Jobs: QCEW is the most widely used dataset for measuring local employment. It is based on administrative records from unemployment insurance (UI) programs, which employers are legally required to file for most payroll workers. Additional salaried employment is derived from administrative and statistical adjustments that capture payroll jobs not covered by UI programs. These include W-2 employees at organizations exempt from UI reporting requirements, such as certain small nonprofits, charitable or community-based organizations, and religious institutions.

- **Includes:** Full- and part-time payroll jobs.

Self-Employed Jobs: Measured using IRS tax filings (Schedule C income) and Bureau of Economic Analysis (BEA) data on proprietorships. Represents individuals whose primary income comes from operating their own business.

- **Includes:** Sole proprietors, freelancers, and independent contractors whose primary source of income is generated from their own enterprises.

Gig Jobs: Derived from the U.S. Census Bureau Nonemployer Statistics (NES) dataset and supplemented by BEA adjustments. Represents secondary or contingent forms of work where individuals may earn supplemental income through short-term, project-based, or part-time activities.

- **Includes:** Freelancers, independent contractors, and sole proprietors engaged in gig-style or occasional work. Often counted in addition to a primary payroll or self-employed job.

Together, these categories ensure that creative employment is not undercounted and that the analysis captures the full scale and impact of the creative workforce.

A.4: ECONOMIC IMPACT METHODOLOGY

The foundational step in quantifying the economic impact of Berkeley's creative economy is the identification of the appropriate sectors that comprise the core—or "direct"—components of the industry (see industry classification in Appendix A.1).

Economic data are reported using the standardized North American Industry Classification System (NAICS), which allows for consistency and comparability across datasets. No single NAICS code wholly encapsulates the creative economy. As a result, a curated list of relevant sectors was assembled.

The Industry Economic Accounts produced by the Bureau of Economic Analysis (BEA) are a key foundational data source for all input-output models. The BEA's tables provide a summary of how industries produce and consume commodities at the national level. The economic impact analysis in this report utilizes the industry-standard IMPLAN (Impact Analysis for Planning) software. IMPLAN is an input-output modeling system used to build economic models at various levels of geography. IMPLAN is widely used and recognized by government organizations, nonprofits, economic development organizations, workforce planners, education institutions, and consultants across the U.S. and Canada.

For this analysis, CVL Economics tailored the modeling framework specific to the creative economy to build an Input-Output (I-O) model to better account for market transactions, capture supply chains across regions, and more accurately estimate regional industry leakages. The impact analyses were estimated using a Multi-Regional Input-Output (MRIO) model, which expands upon the traditional I-O system to include various additional socioeconomic variables including sub-regional trade and income flows, commuting patterns, and household spending patterns between the City of Berkeley and the East Bay (Alameda and Contra Costa Counties).

Additionally, because Berkeley's creative economy comprises a significant portion of self-employed and gig workers, we adjusted the model to reflect the differences between these job structures. Salaried jobs typically generate greater and more stable economic impacts (through higher wages, benefits, and payroll taxes) while self-employed and gig work tends to involve lower and/or variable earnings and different tax treatment. By accounting for these differences, our model avoids overstating independent work while still recognizing its importance to the sector.

Within this framework, the following impacts are generated:

- **Direct effects** capture the employment, labor income, and value added generated by creative economy organizations and workers located in Berkeley.
- **Indirect effects** reflect the activity supported through the supply chain. IMPLAN estimates these based on regional purchasing patterns—how much, on average, businesses in a given sector spend on inputs from other industries within the study area.
- **Induced effects** reflect household spending by workers employed and supported by the creative industries. These are modeled from regional averages of consumer expenditure data (sourced from the Bureau of Labor Statistics' Consumer Expenditure Survey), adjusted to the income distribution of the study region.

A.5: DATA METHODOLOGY COMPARISONS TO 2017 ECONOMIC IMPACT REPORT

A previous economic impact report, the *Arts and Culture Plan Update — Economic Report of the Arts in Berkeley* (2017), provided the last benchmark for understanding the role of arts and culture in Berkeley's economy.[21] It is important to note that there are key differences between the methodology used in the 2017 analysis and this report, which means direct comparisons should be approached with caution. Notably, the 2017 study examined a sample of 100 nonprofit arts and culture organizations, while the current analysis covers the broader creative economy, including nonprofits, private firms, individual artists, and other creative enterprises.

The following distinctions should be noted regarding the results reported in Table 6 (on page 18) of the 2017 study. This analysis modeled nearly $98 million in annual spending from the 100 nonprofits as the basis of its analysis. This produced estimates of 3,606 full-time equivalent (FTE) workers, $80.8 million in labor income, and $3.8 million in local tax revenue (including both City and County). By contrast, this current report captures the entire creative economy, counting 8,186 jobs (not converted to FTEs), which helps explain the larger overall economic contribution CVL Economics presents in the current report's findings.

The methodology behind these calculations of economic and fiscal impact also differs. The 2017 study used the Arts & Economic Prosperity Calculator 5 (AEP5), developed by Americans for the Arts. AEP5 measures the economic impact of nonprofit arts and cultural activity through a standardized input–output modeling framework. It combines locally reported organizational expenditures with audience spending data collected through on-site surveys, and then applies pre-set IMPLAN multipliers to estimate jobs, income, and local and state tax revenues. While this approach ensures consistency across participating communities, the calculator does not allow for adjustments to the unique structure of each local economy.

In comparison, the current study is modeled directly within the IMPLAN system, enabling customization to Berkeley's unique economic profile, including its composition of for-profit and non-profit organizations. This approach not only captures direct activity within Berkeley but also provides a breakout of the indirect and induced effects that ripple through the local economy and the broader East Bay as creative organizations and workers purchase goods and services and circulate income. This customization also allows for greater City-level detail on fiscal impact reporting.

Finally, the 2017 report added estimates of attendee spending on top of the modeled impact results, since they were able to capture attendee spending for their total sample of 100 organizations, using the SMU DataArts Cultural Data Profile and additional survey outreach. To ensure a process that can be standardized, we used the same approach to calculate visitor spending, but we treat these figures separately rather than folding them into the overall creative economy totals, recognizing that they represent only a sample of the wider ecosystem in this study.

21 See the 2017 report here: https://berkeleyca.gov/sites/default/files/2022-02/Berkeley%20Arts%20Economic%20Impact%20Report.pdf

Berkeley Creative Economy Economic Impact Analysis

DECEMBER 2025

ACKNOWLEDGMENTS

This report was made possible through the leadership and support of the City of Berkeley, including the Office of Economic Development and its Civic Arts Program, the Civic Arts Commission, and Berkeley City Council, whose commitment to advancing the city's creative and cultural vitality guided this work. We also extend our appreciation to the many nonprofit arts and culture organizations, creative practitioners, and community stakeholders who generously contributed their time, insights, and experiences.

PREPARED BY:

CVL Economics is an economic consulting firm that takes a data-driven, human-centric approach to equitable development and sustainable growth. Founded in 2021, CVL Economics partners with communities, municipalities, organizations, and institutions to address today's most complex challenges and foster bold action. Coupling robust economic models with innovative research methodologies, we provide decision-makers with the actionable insights needed to effect change, expand opportunity, and improve economic well-being.

Assessment of Berkeley Arts & Culture Pandemic Relief and Recovery Funding

DECEMBER 2025

CVL ECONOMICS

TABLE OF CONTENTS

CONTEXT

Between 2020 and 2022, the City of Berkeley awarded over $3 million in emergency relief and recovery grants to arts and culture organizations and individual artists in Berkeley facing severe financial hardship during the COVID-19 pandemic.

As one of the first municipalities to mobilize comprehensive support for the cultural sector, Berkeley's intervention provides a unique case study in crisis response for arts ecosystems operating in high-cost environments. Drawing on financial data, organizational surveys, and demographic analyses, this assessment examines both the immediate stabilization effects and longer-term outcomes of the City's emergency relief and sustained recovery investments, offering evidence-based insights into the effectiveness of targeted cultural relief strategies and the fundamental challenges facing creative communities during periods of economic disruption.

When the COVID-19 pandemic brought the Bay Area to a standstill in March 2020, the region's vibrant arts and culture sector—from intimate theaters and galleries to community festivals and independent artists—faced an unprecedented crisis as venues shutdown, events were cancelled, and revenue streams vanished overnight. Recognizing the essential role of arts and culture in the city's identity and economy, the City of Berkeley quickly mobilized a series of emergency grant programs to support local artists, nonprofit organizations, and cultural institutions facing acute financial strain. Over the course of three years, the City awarded $2.5 million to 88 organizations and $523,089 to 193 individual artists and cultural workers (Figure 1).[1] The City directed resources with a focus on equity and accessibility to sustain creative work, preventing organizational closures and ensuring underrepresented communities remained at the center of recovery.

1 To view the original documentation for these grants, see City of Berkeley, "Business and Arts Organization Continuity Grant Awards" (Off Agenda Report), April 27, 2020, https://newspack-berkeleyside-cityside.s3.amazonaws.com/wp-content/uploads/2020/04/Business-and-Arts-Organization-Continuity-Grant-Programs-042720.docx-1.pdf; and City of Berkeley, "Civic Arts Grants Program—Improved Practices & Community Impact" (includes Berkeley Art Works Project and Berkeley Arts Recovery Grants,), March 21, 2023, https://berkeleyca.gov/sites/default/files/documents/2023-03-21%20WS%20Item%2001%20Civic%20Arts%20Grants%20Program.pdf.

Figure 1: Summary of Berkeley Pandemic Relief Funding Programs

	PROGRAM YEAR	NUMBER OF GRANTEES	AVERAGE GRANT AWARDED	RECIPIENT TYPE	TOTAL AMOUNT AWARDED
ARTS ORGANIZATION CONTINUITY GRANTS	2020	63	$15,151 organization	Nonprofit or fiscally-sponsored arts and culture organizations	$954,543
EAST BAY/OAKLAND RELIEF FUND FOR INDIVIDUALS IN THE ARTS*	2020	47	$1,372 per individual	Individual artists and arts workers	$64,500
BERKELEY ART WORKS PROJECT (BAWP)	2021	32	$5,698 per individual	Individual artists, performers, and community members	$182,339
BERKELEY ARTS RECOVERY GRANTS (BARG) FOR ARTS ORGANIZATIONS AND FESTIVALS	2022	74	$20,707 per organization	Nonprofit or fiscally-sponsored arts and culture organizations and festivals	$1,532,345
BERKELEY ARTS RECOVERY GRANTS (BARG) FOR ARTISTS AND CULTURAL PRACTITIONERS	2022	114	$2,423 per individual	Individual artists, culture bearers, teaching artists	$276,250
				Total Amount Awarded to Arts & Culture Individuals (2020-2022)	**$523,089**
				Total Amount Awarded to Arts & Culture Organizations (2020-2022)	**$2,486,888**
				Total Berkeley Pandemic Relief and Recovery Funding (2020-2022)	**$3,009,977**

* The East Bay/Oakland Relief Fund was a regional grant program administered by the Center for Cultural Innovation that provided grants to 515 artists and cultural workers across Alameda and Contra Costa counties. The table includes only the portion awarded to 47 individual Berkeley artist residents leveraged with City of Berkeley funds.

Source: City of Berkeley, CVL Economics.

These investments, totaling over $3 million, were extraordinary in scale. By comparison, the City's annual Civic Arts Grants program distributes nearly $700,000 to arts and culture organizations, festivals, and individuals in a typical year. The pandemic-era funding programs for arts and culture organizations and individuals granted more than $1 million in 2020 and over $1.8 million in 2022, more than doubling its Civic Arts Grants investment in a typical year. For many Berkeley organizations and individual artists, the pandemic relief and recovery programs were more than simply helpful—they meant the difference between shuttering permanently and surviving long enough to rebuild.

SCALE OF COVID-19 DISRUPTION

The COVID-19 pandemic resulted in a wave of regionally mandated closures that reshaped daily life and severely disrupted arts and cultural activity. Berkeley is just one of three cities in California that operates its own public health department separate from the county, with an independent Health Officer who has the authority to issue local health orders.[2] During the pandemic, this meant that while the City often issued orders in alignment with Alameda County, it also at times acted earlier, leaving city residents and businesses subject to mandates that on occasion differed from neighboring cities and counties.

On March 17, 2020, Berkeley joined Alameda County and five other Bay Area counties to issue shelter-in-place orders, two days before Governor Newsom's statewide order on March 19. Under these orders, residents were required to remain in their places of residence except to perform essential activities. All non-essential business—like retail, entertainment, cultural, and recreational facilities—had to close to the public. This marked the beginning of what would become one of the most disruptive periods of widespread closures and halted activity in recent history.

In this environment of sudden and prolonged shutdowns, the timing of Berkeley's pandemic support for arts organizations and individuals was especially critical (Figure 2). The first round of funding (Arts Organization Continuity Grants) for organizations distributed in May 2020 arrived at the height of shutdowns and, for many organizations, served as their first—and in some cases only—source of external aid. In parallel, the City also contributed to the East Bay/Oakland Relief Fund for Individuals in the Arts, a regional effort launched in May 2020 to provide direct cash assistance to artists and cultural workers. These local dollars often reached grantees before county, state, or federal relief programs such as the California Arts Council's Cultural Organizations Emergency Relief Fund, Shuttered Venue Operators Grants, Alameda County Arts Relief Grants, and the Paycheck Protection Program.

It wasn't until October 2020 that the City of Berkeley, along with Alameda County, cautiously began reopening a wider range of businesses and community spaces to the public under strict capacity limits. New health order protocols could now allow businesses like museums, galleries, personal care services, libraries, places of worship, restaurants, and movie theaters to operate indoors at 25% capacity. These steps marked the first time many cultural and social gathering spaces could invite the public back, albeit in highly restricted forms.

However, this momentum was short-lived. In December, a resurgence of COVID-19 cases strained intensive care unit capacity to below 15%, which in turn triggered a new regional stay-at-home order and the closure of nearly all indoor sectors across Berkeley and Alameda County once again. As cases eased in early 2021 and vaccines became widely available, cultural and recreational facilities were gradually permitted to return in stages: first at 25% capacity, then 50%, and by the spring of 2021 up to 75%. By May 2021, many museums, galleries, and other indoor spaces were operating under these expanded limits. It was not until June 15, 2021—fifteen months after the first shutdown—that nearly all restrictions were finally lifted, and businesses across California could fully reopen.

Recognizing the toll of lost work opportunities on local

---

[2] Sara Kassabian, "Berkeley is unusual in having its own public health division. How does that work during a pandemic?," Berkeleyside, April 15, 2020, https://www.berkeleyside.org/2020/04/15/berkeley-is-unusual-in-having-its-own-public-health-division-how-does-that-work-during-a-pandemic.

artists throughout this period, the City of Berkeley launched the Berkeley Arts Works Project (BAWP) in 2021, funded through the City's Cultural Trust Fund (Fund 148).[3] Modeled in spirit after the New Deal–era Works Progress Administration, which employed artists during the Great Depression to create public works, the program provided paid opportunities for artists, performers, and community members to produce temporary public artworks. These projects not only offered much needed income, but also fostered community healing by addressing themes of public health, resilience, and belonging at a time when many cultural venues were only beginning to reopen.

While the statewide June 2021 reopening marked a turning point for most cultural and recreational facilities, performing arts venues had endured some of the longest closures. Classified as among the highest-risk settings, they were the last to reopen, allowed to return only when the rest of the economy was cleared to resume operations. The Berkeley Repertory Theatre offers a vivid example of just how long the road back was for performing arts institutions. Despite the state's reopening in June, Berkeley Rep remained dark until November 12, 2021, when it finally welcomed audiences back with its production of Wintertime—a nearly 20-month closure from March 2020.

The City's next major rounds of recovery funding came through the Berkeley Arts Recovery Grants (BARG) two years later in 2022 (funded with American Rescue Plan Act dollars).[4] This program was available to both arts and culture organizations and individuals. The BARG program arrived at a moment when federal and state programs wound down and organizations were confronting new pressures: inflation, workforce shortages, and lower levels of consumer engagement that had not fully recovered since the pandemic.

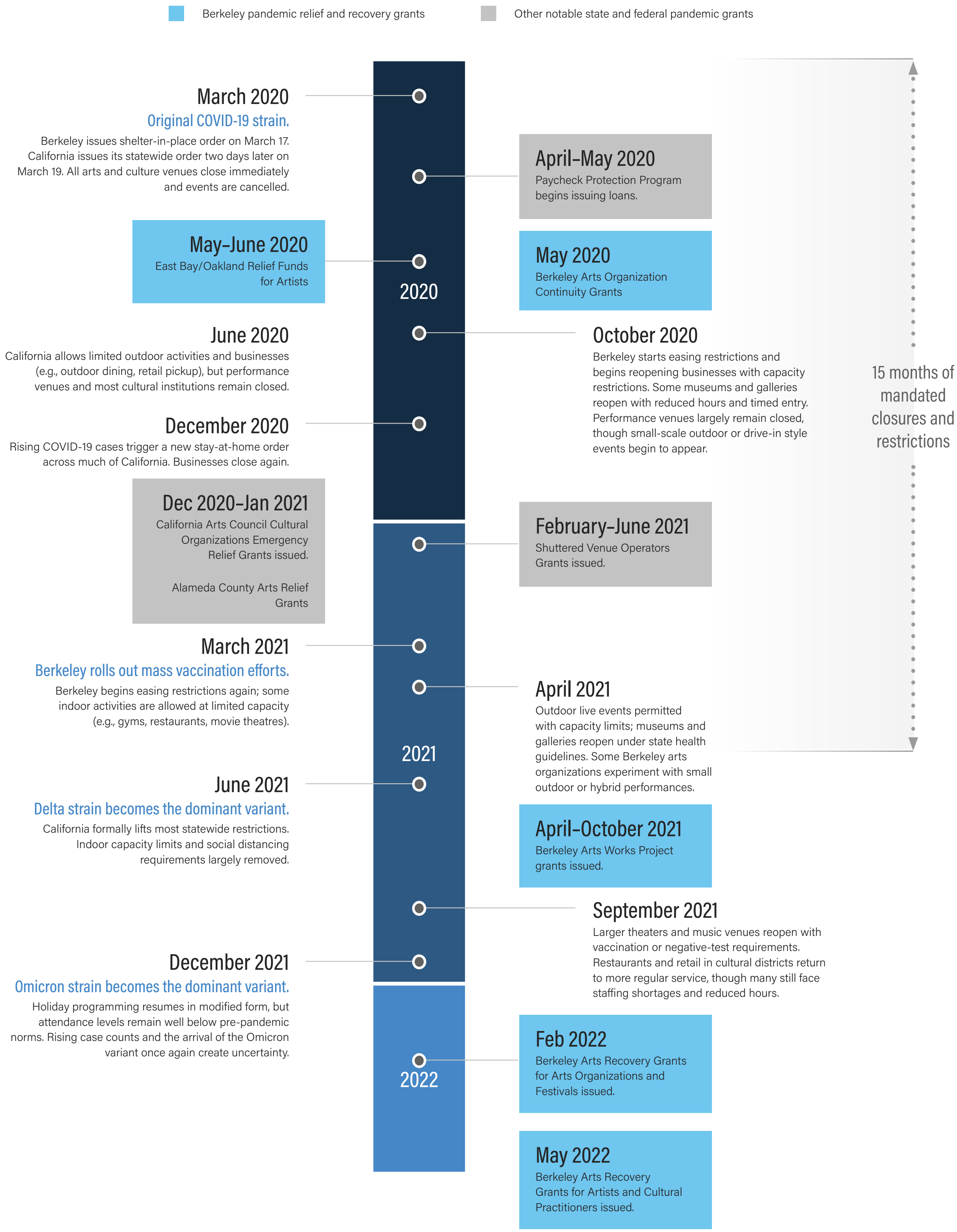
Together, the launch of these programs over three years created a phased response that moved from emergency relief to longer-term recovery. This approach helped preserve Berkeley's cultural ecosystem and sustain its creative workforce during one of the most disruptive periods in recent history.

---

[3] The Cultural Trust Fund is a dedicated pool of City revenues that supports Berkeley's arts ecosystem through grants, public art, and cultural programming.

[4] The American Rescue Plan Act (ARPA), a $1.9 trillion federal stimulus package enacted in March 2021, provided local governments with flexible State and Local Fiscal Recovery Funds (SLFRF) to address public health and economic impacts of the pandemic, with a focus on disproportionately impacted communities. The City of Berkeley allocated a portion of these funds to support arts and culture organizations and individual cultural practitioners.

Figure 2: Timeline of COVID-19 Pandemic Relief & Recovery Grant Distribution

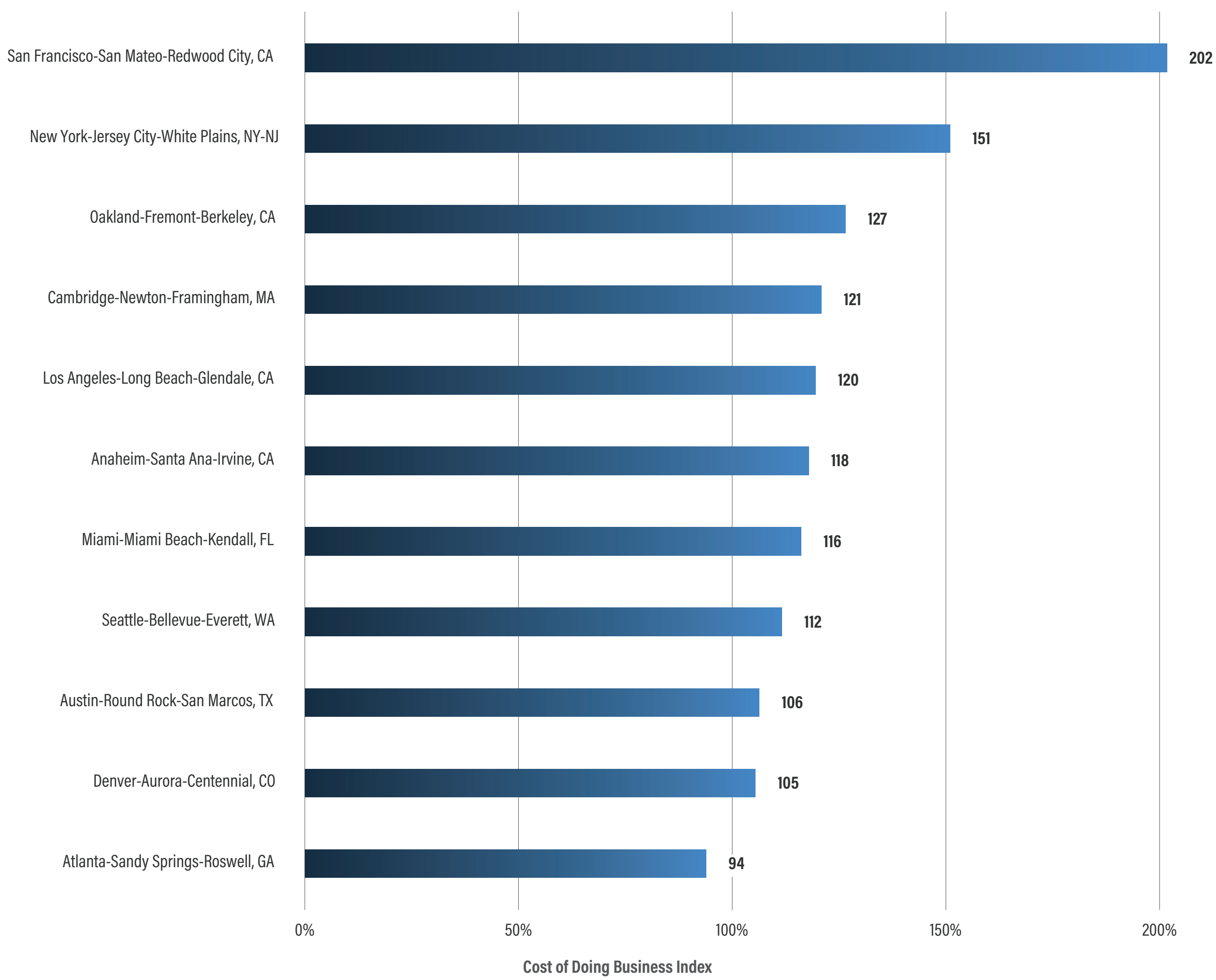


Source: CVL Economics.

At the same time, these prolonged closures exacerbated Berkeley's already exceptionally high-cost environment (Figure 3). The East Bay (comprising Alameda and Contra Costa counties, also known as the Oakland-Fremont-Berkeley metropolitan division) consistently ranks among the most expensive regions in the country—not just for households but also for employers. Berkeley arts and culture organizations must contend with some of the nation's highest commercial rents, utility costs, and taxes.

For nonprofit cultural organizations, the in-person experience is central to their survival. Earned income streams—such as ticket sales, performances, classes, festivals, gallery admissions, and space rentals—depend almost entirely on people gathering in shared physical spaces. When COVID-19 forced those spaces to close, the entire business model of many arts groups collapsed overnight. Unlike some industries that could pivot to remote operations, much of Berkeley's arts and culture sector remained tied to in-person engagement. While many organizations worked hard to provide online content and cultural experiences, virtual substitutes could not replicate the community connection of live experiences nor meaningfully make up for revenue shortfalls. Moreover, many organizations continued to shoulder fixed costs, such as leases, insurance, and baseline staffing. The inability to shed these expenses during more than a year of shutdown meant reserves were rapidly depleted, forcing some organizations to suspend operations entirely.

Figure 3: Cost of Doing Business Index by Metropolitan Division | 2022



Note: The Cost of Doing Business Index is a Moody's Analytics calculation factoring in labor costs, energy costs, office rent, and tax burden in a given metropolitan division.

Source: Moody's Analytics, CVL Economics.

KEY FINDINGS

IMPACT OF BERKELEY'S PANDEMIC RELIEF AND RECOVERY FUNDING FOR ARTS & CULTURE ORGANIZATIONS

Two rounds of Berkeley pandemic relief and recovery grant programs were administered to 88 arts and culture organizations, totaling almost $2.5 million.

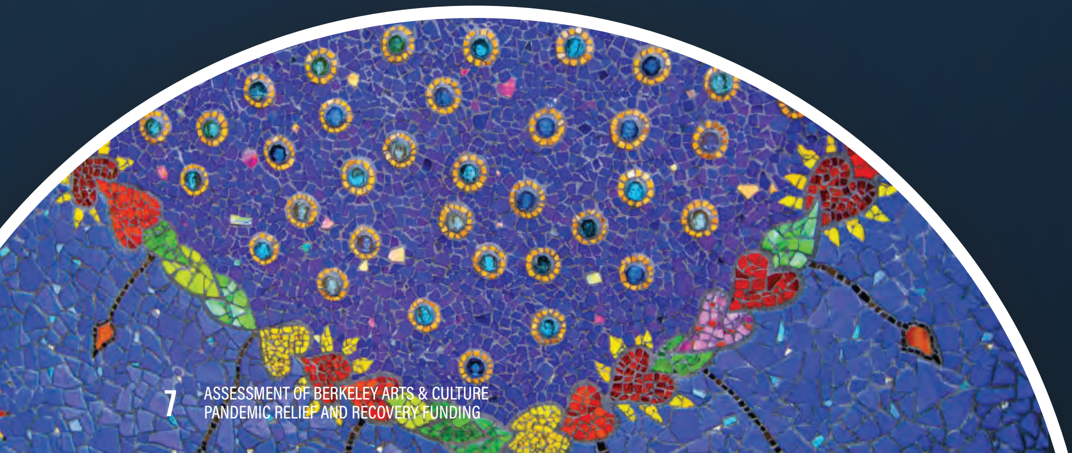
> The two rounds were the Arts Organization Continuity Grants ($954,543) in 2020 and the Berkeley Arts Recovery Grants (BARG) for Arts Organizations and Festivals ($1.5 million) in 2022.

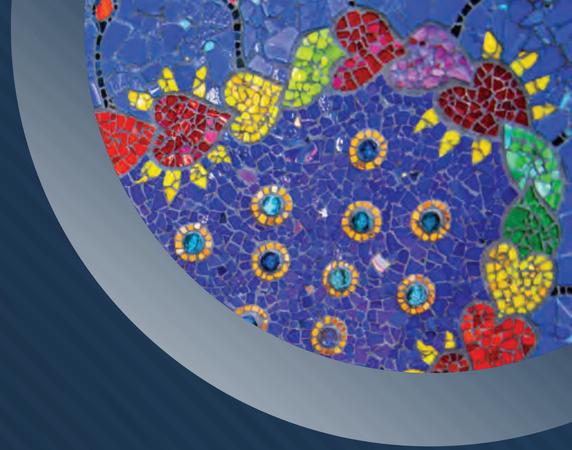
Smaller organizations were the most vulnerable to initial pandemic disruptions.

> At the onset of the pandemic, organizations with annual budgets of $500,000 or less saw their revenues drop by nearly 50% on average, compared to a 30% decline among mid-sized organizations ($500k–$1M) and about a 40% decline among large organizations (over $1M). This sharper decline highlights how limited reserves and thinner margins left smaller organizations far more vulnerable to the initial shock.

Relief and recovery funding was broadly seen as critical, helping most organizations avoid layoffs and business closure entirely.

> Nearly 83% of Arts Organization Continuity Grant (2020) and 90% of BARG (2022) recipients rated their Berkeley pandemic relief and recovery grant(s) as either "very helpful" or "essential." The remaining organizations, which were larger in size, described the funding as "moderately helpful." Importantly, the vast majority of grantees (up to 84%) credited the grants with preventing both organizational shutdowns and employee layoffs during the most acute months of the pandemic.





Arts Organization Continuity Grants (2020) served as an immediate lifeline.

Issued at the height of uncertainty in May 2020, these grants kept doors open during the first wave of shutdowns. Arts Organization Continuity Grants reached organizations before many other federal, state, and local relief programs. However, their impact tended to be short-term: most grantees (84%) stated funds sustained operations for less than six months, 11% said funds lasted 6-12 months, and just 5% stated funds lasted a year or more. Even so, the immediacy of this funding was critical; more organizations attributed the Arts Organization Continuity Grant as helping them avoid layoffs (85%) and closures (84%) than the BARG (2022) program. Over half of the recipients stated the grants helped them survive the pandemic period but left no lasting impact.

Berkeley Arts Recovery Grants (2022) offered stabilization and transformation.

Distributed in a more stable but still challenging environment in 2022, BARG enabled longer-term planning and adaptation. 22% of recipients stated the funding lasted 6–12 months, and 11% reported funding lasting a year or more. Nearly one in five (19%) described the grants as transformative—compared to just 5% of Arts Organization Continuity grantees—and almost half (48%) credited the funds with helping them stabilize and make strategic changes. 70% of BARG recipients credited the grant for avoiding layoffs and 74% for avoiding business closure.

Many arts & culture organizations received both rounds of funding, which extended impact beyond any single cycle.

A majority of grantees (49 of 88) benefited from receiving both the 2020 Arts Organization Continuity Grant and the 2022 BARG. This sequencing mattered: the first round provided a lifeline in the immediate aftermath of shutdowns, while the second arrived during a difficult reopening phase marked by inflation, workforce shifts, and lagging consumer engagement. Taken together, the two rounds of support compounded one another, allowing organizations not only to survive the immediate crisis but also to weather the prolonged and unpredictable recovery period. In this way, limited local dollars stretched across multiple years of disruption, amplifying their effect far beyond what a single grant cycle could have achieved.

IMPACT OF BERKELEY'S PANDEMIC RELIEF AND RECOVERY FUNDING FOR ARTS & CULTURE INDIVIDUALS[5]

Three Berkeley pandemic relief and recovery grant programs were administered to arts and culture individuals residing and practicing in Berkeley, totaling over $520,000.

The three programs were the East Bay/Oakland Relief Fund ($64,500 to Berkeley residents) in 2020, the Berkeley Art Works Project (BAWP; $182,339) in 2021, and the BARG for Artists and Cultural Practitioners ($276,250) in 2022.

While the East Bay/Oakland Relief Fund (2020) and BARG (2022) programs provided unrestricted funds to Berkeley's arts and culture workers, BAWP (2021) supported paid temporary visual and performing arts projects in public spaces. Instead of serving as direct stimulus assistance, BAWP (inspired by the Depression-era Works Progress Administration) functioned more like traditional income, employing artists who might otherwise have been working locally in theaters or other cultural venues, and redirecting their talents into community-based creative projects.

Individual grants covered the equivalent of up to nearly four months of housing costs.

Grants provided immediate relief for artists facing significant reductions in income, often covering essential living costs like rent, groceries, and medical bills. When measured against the median individual housing cost in Berkeley ($1,100/month), the impact becomes clear: East Bay/Oakland Relief Fund awards covered over one month of housing, BARG awards covered more than two months, and BAWP awards stretched nearly four months. Even this short-term coverage of basic living expenses mattered enormously for artists, and in some cases represented the difference between staying in Berkeley or being displaced.

Relief and recovery programs advanced equity and reached those most impacted.

Grants were mostly awarded to historically underrepresented artists, including Black, Latinx, Indigenous, and multi-racial cultural workers. More than half of grantees reported losing at least 50% of their arts-related income in 2020, with nearly one-quarter losing 90–100%, showing funding reached those in greatest need.

[5] While pandemic relief funding supported both organizations and individuals, this assessment focuses primarily on organizations. Relief to individual artists in Berkeley was important, and a high-level assessment is included, however the anonymity of individual grant awards limited the availability of detailed data. In addition, organizations serve as anchors for artists and the community and are more deeply established within communities, making their stability a clearer lens into the overall health of the creative ecosystem.

LONG-TERM OUTCOMES FOR ARTS & CULTURE ORGANIZATIONS

Every $1 in City funding leveraged at least $5.64 in ongoing arts and culture economic activity.

The City's $2.5 million investment in arts and culture organizations during the years spanning 2020 to 2022 helped safeguard more than $12.9 million in arts and culture revenue that otherwise would have been lost. This translates to every $1 of City pandemic emergency funding having leveraged at least $5.64 in arts and culture economic activity. This return captures not only the direct operations of arts and culture organizations, but also the ripple effects through local suppliers, contractors, and service providers.

17 of the 88 grantee organizations or 19% (of both relief and recovery programs to arts and culture organizations) closed permanently between 2020–2024, the majority of which were very small organizations.

Nine of the 28 grantee organizations with operating budgets under $100,000 closed, the highest number of any group. But large organizations were also not immune; two of the 13 institutions with revenues between $1M-$2M also shut down, as did two of the 11 organizations with operating budgets over $2 million. This pattern shows that while scale and resources provided some resilience, no segment of the sector was fully insulated. The loss of larger organizations—typically those with the broadest audiences or consumer base, most extensive programming, and greatest fundraising capacity—underscore the vulnerability of even the city's established cultural institutions.

Revenue for the 71 surviving grantees sits 9% below pre-pandemic levels, though the 62 smaller surviving organizations, with budgets less than $2 million, fared relatively better over time.

In 2024, grantee median revenue sat 9% below the 2019 benchmark. That said, smaller grantee organizations that are still operational have fared relatively better over time than their larger peers. For many of these groups, Berkeley's relief and recovery funds represented a substantial share of their annual budgets—sometimes covering the bulk of operating revenue in a given year. This scale of support often made the difference between survival and closure, allowing small organizations not only to stay afloat but also to begin rebuilding sooner than larger institutions, which in some cases remain more deeply destabilized.

The 9 larger organizations with budgets over $2 million that received grant funding faced deeper structural challenges, with current revenues sitting 33% below pre-pandemic levels.

> For larger organizations, City relief and recovery grants accounted for a smaller share of overall budgets, limiting their ability to offset the steep financial shocks of the pandemic. As a result, for organizations with operating budgets over $1 million, funding was often described as moderately helpful rather than transformative. By 2024, revenues at these larger organizations remained one-third below 2019 benchmarks—far below the average 9% decline across all grantees.

Broader economic challenges are compounding strain across Berkeley arts organizations of all sizes.

> Expenses have risen much faster than income, and earned revenue has been slow to rebound, leaving organizations more reliant on contributed income. Additionally, performing arts venues in particular continue to struggle with reduced attendance and shrinking subscriber bases. As a result of both of these factors, and a changed federal funding for the arts landscape, competition for public sector and philanthropic support has intensified, making recovery uneven, precarious, and difficult for arts organizations. Compounding these challenges, downtown revitalization struggles—including empty storefronts, reduced foot traffic, and heightened safety and transportation concerns—have made it more difficult for some arts venues to fully reestablish themselves as hubs of community life.

Together, these findings illustrate that while the pandemic-era grants were not sufficient in resolving every financial challenge for Berkeley's artists and arts organizations, they served as a lifeline. For many organizations, relief and recovery funding was the difference between survival and closure during unprecedented times, ensuring that Berkeley's arts and culture ecosystem remained intact long enough to begin navigating the long road to recovery.

PANDEMIC RELIEF AND RECOVERY FOR ARTS & CULTURE ORGANIZATIONS

Eighty-eight arts and culture organizations received at least one of the two pandemic relief and recovery grants, with 49 organizations receiving both the Arts Organization Continuity Grant in 2020 and BARG in 2022 (Figure 4). Together, these programs directed nearly $2.5 million in emergency support to the sector, which provided targeted financial assistance to help organizations weather immediate losses, retain staff, and adapt to rapidly changing conditions.

ARTS ORGANIZATION CONTINUITY GRANTS (2020)

In response to the immediate financial crisis faced by arts organizations during the onset of the COVID-19 pandemic, the City of Berkeley launched the Arts Organization Continuity Grants program in March 2020. This program was funded directly by the City of Berkeley's General Fund Catastrophic Reserve. The program ultimately awarded $954,53 in emergency funding to 63 local nonprofit arts organizations. Grants of up to $25,000 (with an average award of approximately $15,150) were distributed in May 2020 to organizations that demonstrated a loss of at least 25% in earned revenue, such as ticket sales, class fees, or venue rentals.

The program was designed as emergency gap funding to stabilize organizations experiencing acute financial hardship. Eligibility was limited to Berkeley-based organizations with a mission focused on the development or presentation of arts and culture, including fiscally sponsored entities. In keeping with the City's 2018 Arts & Culture Plan and commitment to cultural equity, applications were evaluated not only on financial need but also on equity-centered criteria, such as whether the organization worked primarily with artists from historically marginalized communities, served underrepresented audiences, operated in geographically underserved parts of Berkeley, or had a staff and board composition reflective of diverse communities.

BERKELEY ARTS RECOVERY GRANTS FOR ARTS ORGANIZATIONS AND FESTIVALS (2022)

In 2022, the City of Berkeley distributed over $1.5 million in one-time Berkeley Arts Recovery Grants (BARG) to 74 nonprofit arts organizations and recurring festivals as part of its broader pandemic recovery strategy. Funded by American Rescue Plan Act (ARPA) dollars, the BARG program was designed to support sustainable recovery for Berkeley's arts sector after nearly two years of widespread disruption in the sector as a result of the COVID-19 pandemic. Award amounts ranged from $3,000 to $33,000, with an average award of approximately $20,700 per organization.

Eligible applicants included Berkeley-based nonprofit or fiscally sponsored arts organizations and recurring festivals that had experienced a decline in revenue between 2019 and 2020. Awards were determined through a scoring system that prioritized organizations serving or led by historically marginalized communities, with 70% of the evaluation focused on cultural equity factors such as programming by or for BIPOC, LGBTQIA+, low-income, disabled, senior, or unhoused populations. Funds could be used to offset lost revenue, support safe reopening efforts, or invest in long-term sustainability through marketing, consulting, or business planning.

Figure 4: Summary of Berkeley Pandemic Relief and Recovery Grants for Arts & Culture Organizations

	PROGRAM YEAR	RECIPIENT TYPE	NUMBER OF GRANTEES	TOTAL AMOUNT AWARDED	AVERAGE GRANT AWARDED
ARTS ORGANIZATION CONTINUITY GRANTS	2020	Nonprofit or fiscally-sponsored arts and culture organizations	63	$954,543	$15,151
BERKELEY ARTS RECOVERY GRANTS (BARG) FOR ARTS ORGANIZATIONS AND FESTIVALS	2022	Nonprofit or fiscally-sponsored arts and culture organizations and festivals	74	$1,532,345	$20,707

Source: City of Berkeley, CVL Economics.

PANDEMIC RELIEF AND RECOVERY GRANT IMPACT FOR ARTS & CULTURE ORGANIZATIONS

Although grantees varied in focus, size, and diversity, all Berkeley organizations faced acute financial hardships resulting from the pandemic, and for many, this persists into the present day. The scale of these challenges is underscored by the grantees themselves, who reported widespread disruptions to programming, facilities, and core revenue streams as the pandemic unfolded.

To better understand how Berkeley's pandemic relief and recovery funding shaped the local arts ecosystem, CVL Economics surveyed grantee organizations. Of the 88 organizations that received support through the Arts Organization Continuity Grant (2020) or the Berkeley Arts Recovery Grant (BARG; 2022), 30 completed the survey, providing valuable insights into both the immediate and lasting effects of the City's investment.[6]

COVID-19 Disruptions

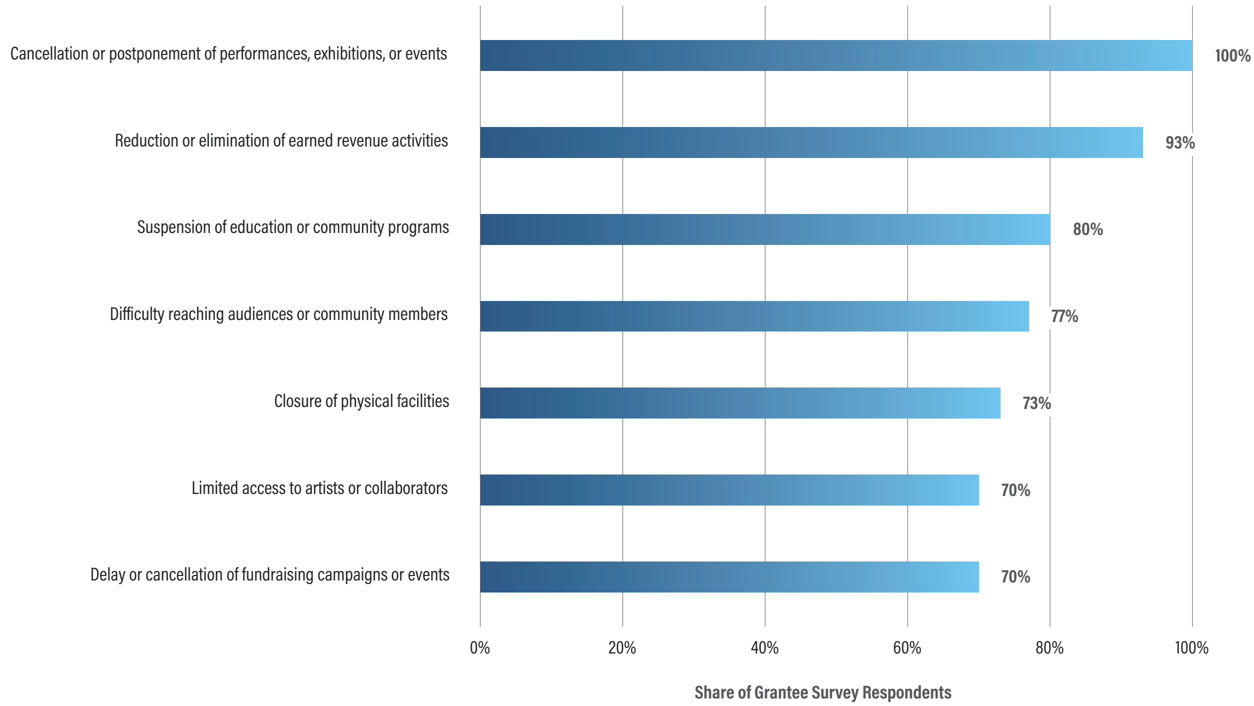
At the onset of the pandemic in mid-March 2020, every grantee organization had to cancel or postpone performances, exhibitions, or events. In a survey of grant recipients conducted five years later, in June 2025, 80% reported suspended education or community programs; and more than 73% were forced to close their physical facilities, resulting in the reduction or elimination of key earned revenue activities (Figure 5). Another 70% reported having to delay or cancel critical fundraising campaigns, cutting off vital revenue streams at a moment when operational expenses remained constant or, in some cases, increased due to safety measures.

Community connection was also severely disrupted by the pandemic in Berkeley. Nearly 77% of respondents reported difficulties reaching audiences or community members, a challenge compounded by the digital divide and the learning curve associated with pivoting to online programming. Limited access to artists, collaborators, and essential partners was cited by 70% of organizations, underscoring how the pandemic fractured the networks that sustain creative production.

The employment landscape in Berkeley in this sector shifted dramatically as well (Figure 6). Forty-three percent (43%) of arts organizations implemented temporary layoffs or furloughs, 40% imposed hiring freezes, and 13% faced permanent position eliminations. These staffing impacts not only affected the livelihoods of arts workers but also reduced organizational capacity, making recovery more difficult even after restrictions eased.

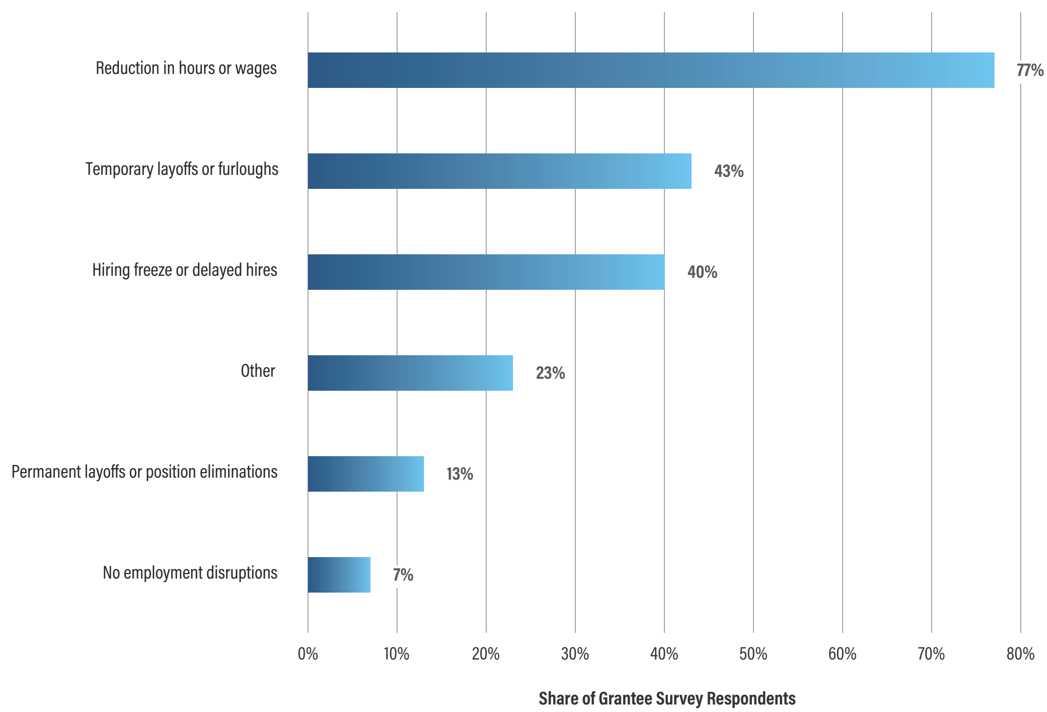
[6] See Appendix A.1 for more details on survey methodology.

Figure 5: Immediate COVID-19 Disruptions Experienced by Berkeley Arts Organizations



N=30
Source: CVL Economics Survey (2025).

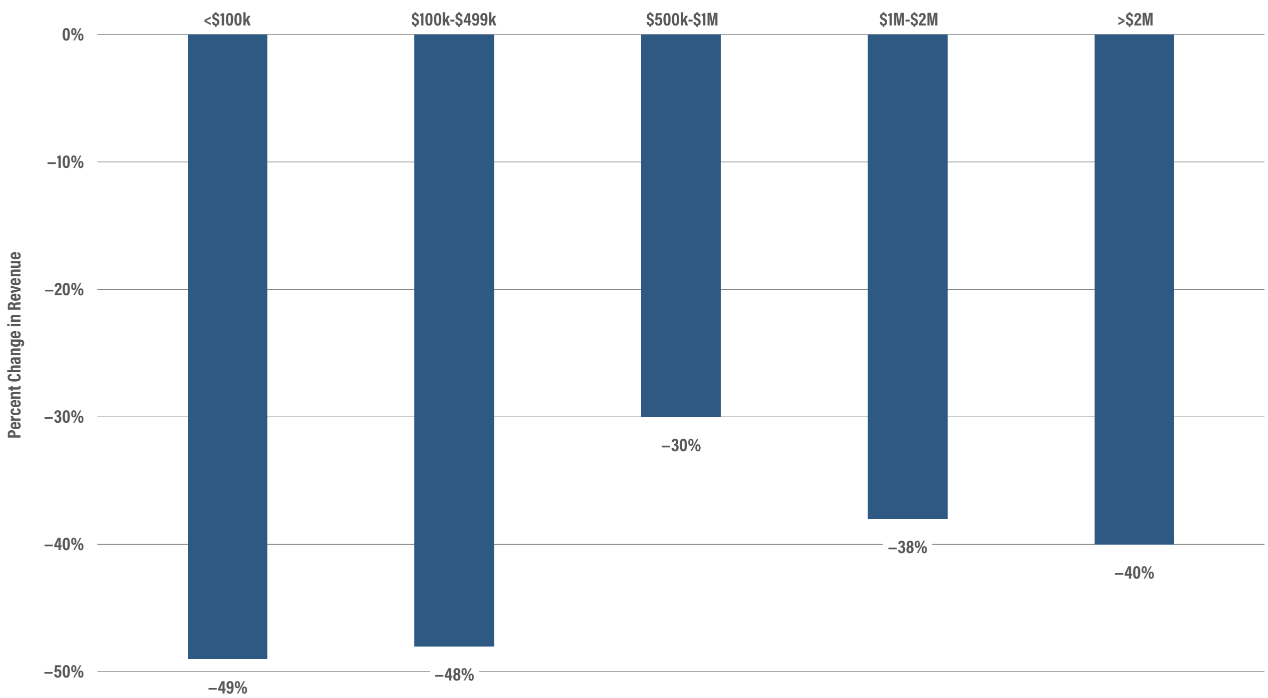
Figure 6: Immediate COVID-19 Employment Disruptions Experienced by Berkeley Arts Organizations



N=30
Source: CVL Economics Survey (2025).

The financial toll of these disruptions is reflected in the immediate revenue loss experienced by grantee organizations (Figure 7). Across the 74 BARG grantees, average revenue fell by 44% between 2019 and 2020. The depth of these losses varied significantly by organization size. The smallest organizations—those with annual budgets under $100,000—were hit the hardest, with revenues dropping nearly 50% on average. Mid-sized organizations with budgets between $500,000 and $1 million saw the least severe declines, though they still averaged a 30% loss. Large organizations with budgets over $2 million were not immune either, facing an average revenue reduction of 40% at the onset of the pandemic.

Figure 7: Grantee Revenue Loss by Organization Size | 2019–2020



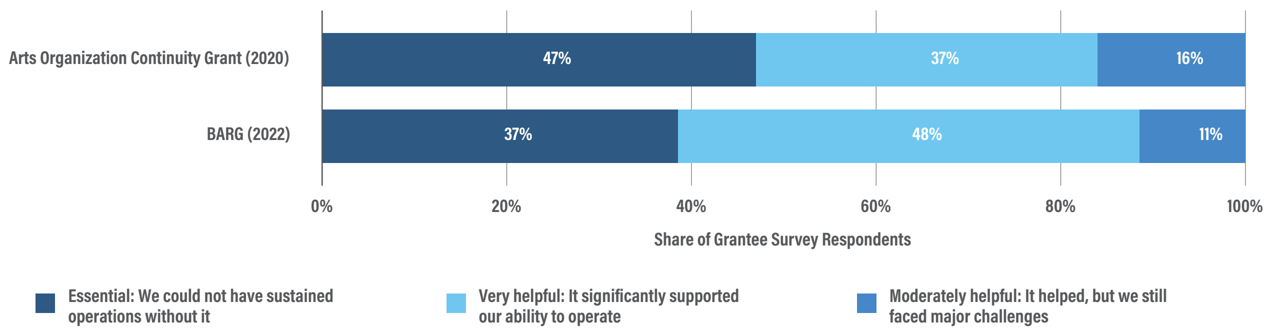
Source: City of Berkeley, CVL Economics.

IMMEDIATE IMPACTS: ROLE OF PANDEMIC RELIEF AND RECOVERY FUNDING

Berkeley's pandemic relief and recovery grants for arts and cultural organizations were not just helpful but essential for many grantees (Figure 8). Nearly half of Arts Organization Continuity Grant recipients (47%) and more than a third of BARG recipients (37%) said they could not have sustained operations without the grant. Another 37% of Arts Organization Continuity Grant recipients and 48% of BARG grantees reported that the funding was very helpful, significantly supporting their ability to continue operating.

The grants played a pivotal role in preventing widespread layoffs and closures. Eighty-four percent (84%) of Arts Organization Continuity Grant recipients and 70% of BARG recipients said the grants helped them avoid workforce reductions, protecting jobs during the most precarious months of the pandemic (Figure 9). Similarly, 84% of Arts Organization Continuity Grant recipients and 74% of BARG recipients said the funding prevented them from permanently shutting down (Figure 10).

Figure 8: Extent to Which Pandemic Relief and Recovery Funding Was Essential Among Berkeley's Grant Recipients



N=30
Note: Responses were measured on a five-point scale from "Not at all helpful" to "Essential." No respondents selected either of the two ratings below "Moderately helpful."
Source: CVL Economics Survey (2025).

Figure 9: Share of Grantees That Avoided Layoffs Due to the Grants

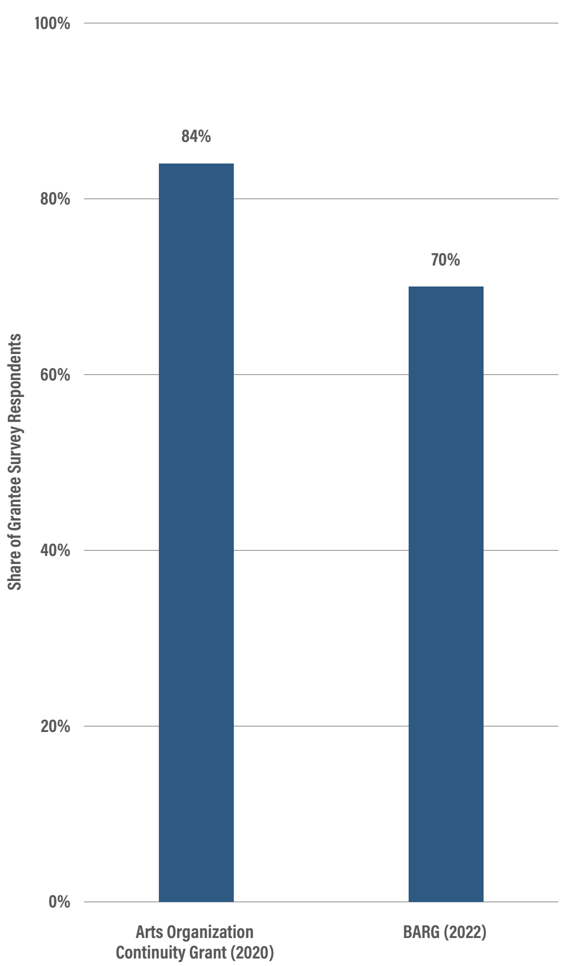
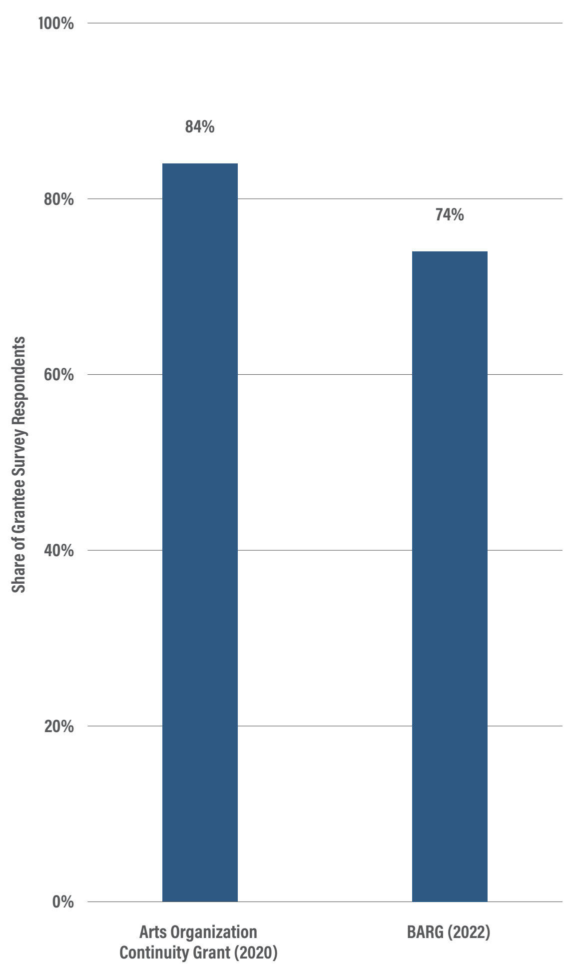


Figure 10: Share of Grantees That Avoided Closure Due to the Grants

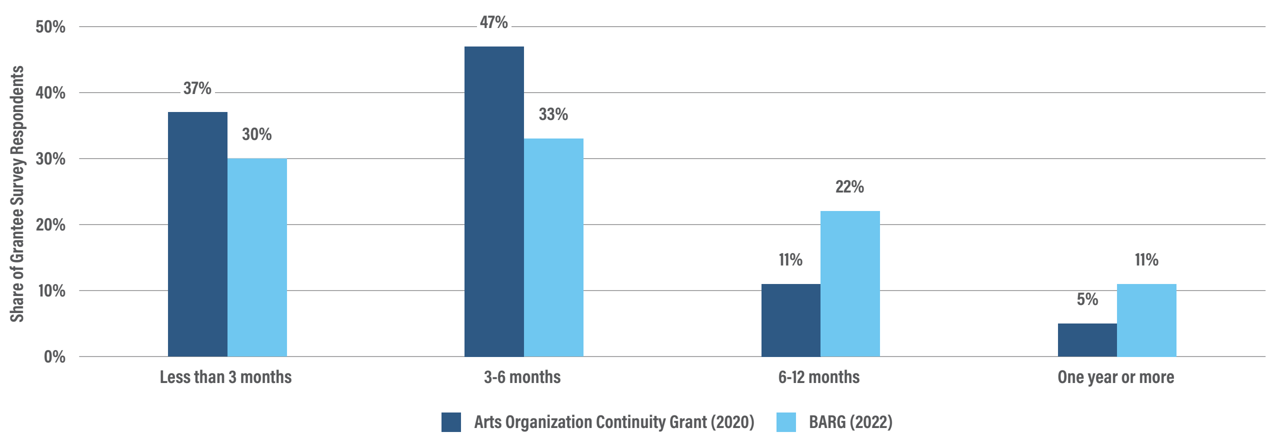


N=30
Source: CVL Economics Survey (2025).

Given their distribution in the earliest stages of the pandemic, the Arts Organization Continuity Grants provided critical short-term relief, serving as a bridge during the early days of the pandemic and sustaining arts organizations until other assistance programs became available. For many organizations, the funding was the difference between survival and immediate closure. That said, the support tended to last for a shorter duration and left fewer long-term organizational changes in place than the BARG program. Most (84%) Arts Organization Continuity Grant recipients said the funding lasted less than 6 months (Figure 11). More than half (53%) of recipients reported that the funds helped them survive the pandemic but did not generate lasting impact, and only 5% described the funding as transformative (Figure 12).

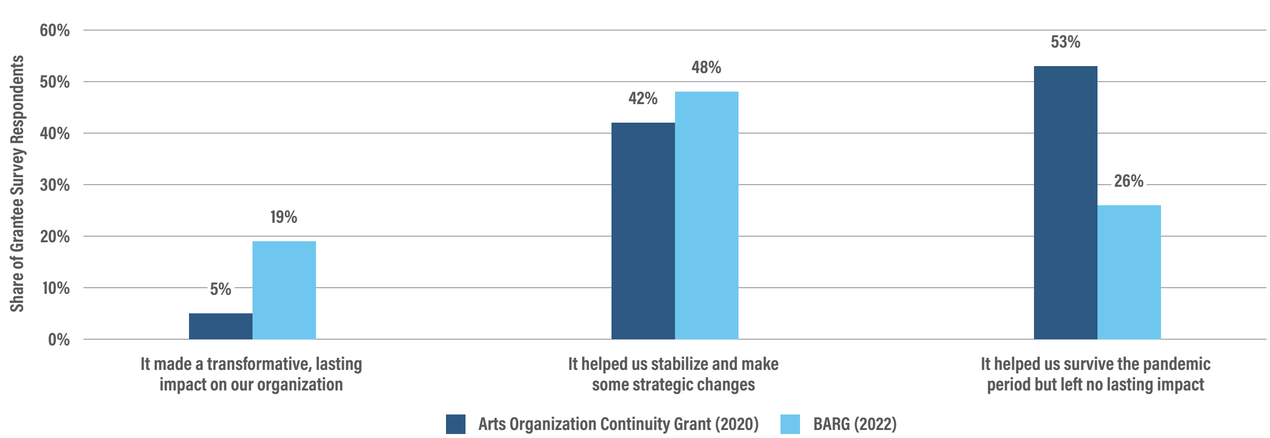
By contrast, BARG—issued at a time when most organizations had transitioned from response to recovery phases— tended to have a broader effect. The grants were generally larger, conditions had shifted toward reopening, the "new normal" was settling in, and organizations were positioned to leverage fiscal support for longer-term stability. Reflecting this, nearly half of BARG recipients (48%) said the grants helped them stabilize and make strategic changes, and almost one in five (19%) reported transformative, lasting impacts. Even in terms of duration, BARG funding stretched further: a third of recipients reported that it sustained operations for six months or more.

Figure 11: Length of Time Grants Sustained Operations in Berkeley



N=30
Source: CVL Economics Survey (2025).

Figure 12: Scale of Grant Impact on Berkeley Arts and Culture Organizations



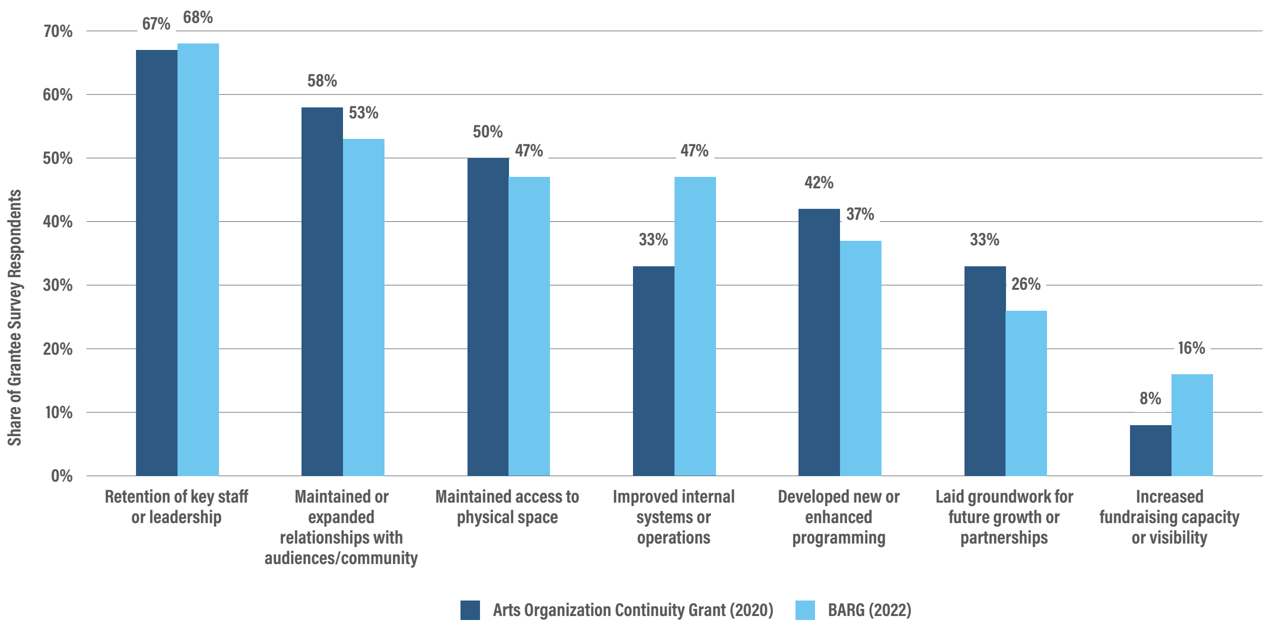
N=30
Source: CVL Economics Survey (2025).

Organizations reported that relief and recovery funding helped them retain staff and leadership (67% of Arts Organization Continuity Grant recipients and 68% of BARG recipients) (Figure 13). More than half credited the grants with enabling them to maintain or expand relationships with their audiences and communities (58% and 53%, respectively), and nearly half of grantees noted that the funding allowed them to sustain access to physical spaces.

Arts Organization Continuity Grant recipients were more likely than BARG recipients to report developing new or enhanced programming (42% vs. 37%). This difference likely reflects the urgent pivot many organizations were forced to make at the height of the pandemic crisis—rapidly adapting to online or hybrid formats, experimenting with digital content, and reimagining community engagement in a socially distanced world. In other words, the Arts Organization Continuity Grant helped seed immediate programmatic adjustments that allowed organizations to stay connected with their audiences under extraordinary circumstances.

By contrast, the BARG program in 2022 was more about strengthening internal systems, fundraising, and longer-term stabilization as organizations adjusted to a new operating environment. Nearly half of BARG recipients (47%) reported using funds to improve internal systems and operations, compared to just a third of Arts Organization Continuity Grant recipients. Additionally, 16% of BARG grantees said the funds helped increase fundraising capacity or visibility, compared to 8% of Arts Organization Continuity Grant recipients.

Figure 13: Detailed Impact of Relief and Recovery Grants for Berkeley Arts and Culture Organizations



N=30
Source: CVL Economics Survey (2025).

The distinction between the two grant programs points to a critical shift in focus of the City's approach to pandemic relief and recovery across the arts and culture sector. While the earlier Arts Continuity Grant program was more focused on immediate survival, the BARG program was better positioned to help organizations adapt to a new normal by strengthening infrastructure and building capacity to generate new revenue. Notably, most organizations (49 out of the 88 grantees) were able to benefit from both rounds of relief and recovery funding. This compounded support allowed grantees not only to weather the initial crisis but also to remain afloat during the prolonged and unpredictable recovery period, extending the effect of the funding well beyond a single grant cycle.

LONG-TERM OUTCOMES: WHERE GRANTEE ORGANIZATIONS STAND IN 2025

Five years since the onset of the pandemic, we can begin to see the longer-term impacts on Berkeley's arts and culture ecosystem. The initial shock was compounded by rising costs for labor, rent, and production; challenges rebuilding and retaining staff; slower-than-expected audience and consumer engagement recovery; and changes in the funding landscape.

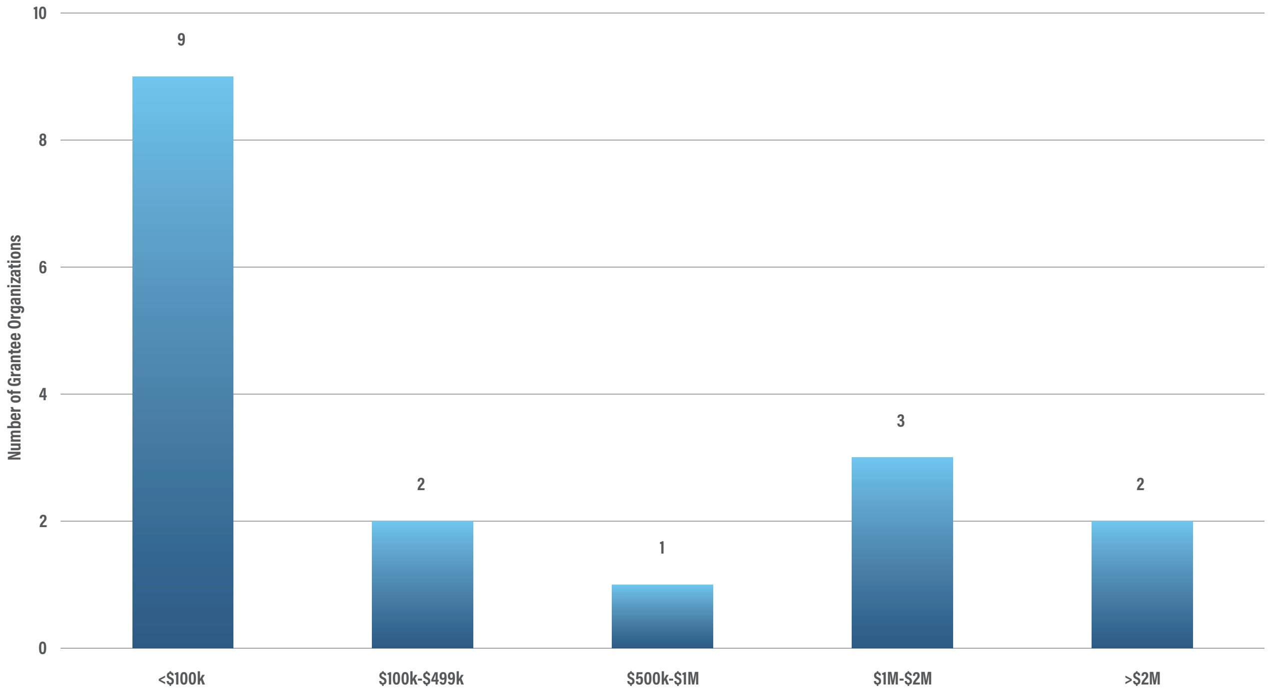
Organizational Closures

Despite the critical role of relief and recovery funding, not all grantee organizations were able to withstand the prolonged pressures of the pandemic and its aftermath. Between 2020 and 2024, 17 grantee organizations ultimately closed. Of those 17 organizations, the vast majority were small (Figure 14). The steepest losses were among grantees with annual budgets under $100,000: nine organizations of this size were unable to continue operating. Mid-sized organizations fared better, with only one organization closing with a budget between $500,000 and $1 million. Larger organizations also experienced notable losses: five organizations with budgets over $1 million closed during this period. Among the closures were two of Berkeley's established and well-known institutions: the Bay Area Children's Theatre in 2023 (which had an operating budget exceeding $3 million) and the Aurora Theatre Company in 2025.[7]

This pattern shows that while scale and resources provided some resilience, no segment of the sector was fully insulated. For larger organizations—typically those with the broadest audiences or consumer base, most extensive programming, and greatest fundraising capacity—such losses underscore the vulnerability of even the city's most established cultural institutions.

[7] At the time of writing, Aurora Theatre Company has not officially announced a permanent closure, but it has announced staff layoffs and the closure of its venue; for the purposes of this analysis, we are considering it closed. See: Lily Janiak, "Bay Area Theater Moves to Lay Off Staff, Vacate Downtown Berkeley Venue," August 12, 2025, San Francisco Chronicle, https://www.sfchronicle.com/entertainment/article/aurora-theatre-layoffs-venue-vacate-20813096.php.

Figure 14: Closures Among Berkeley Arts Relief and Recovery Grantee Organizations by Revenue Size



Source: City of Berkeley, CVL Economics.

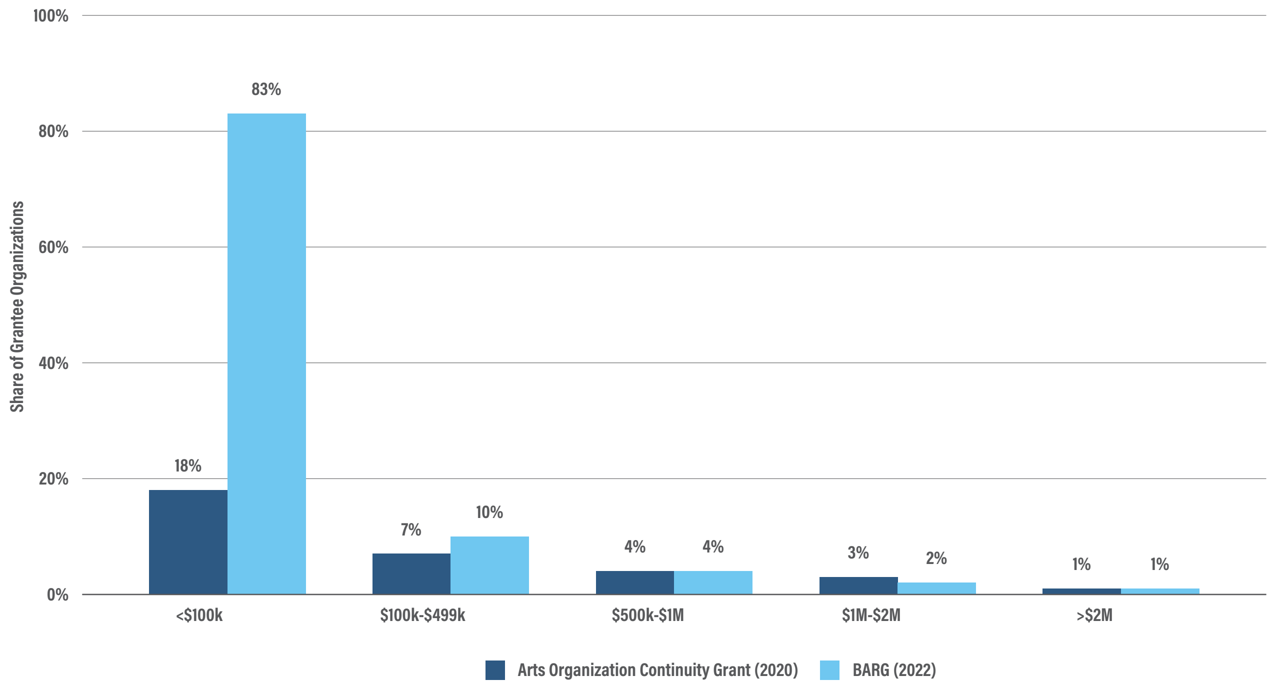
While small organizations were more likely than larger ones to face permanent closure, those that survived often reported that pandemic relief and recovery funding was especially critical to their survival. For organizations with annual budgets under $100,000, the grants represented a larger share of their total operating revenue (Figure 15).

By contrast, larger organizations tended to view the grants as moderately helpful—providing short-term relief without fundamentally altering their financial trajectory. For institutions with budgets exceeding $2 million, the grants made up less than 1% of annual revenue. Notably, because award criteria emphasized equity and demonstrated revenue loss rather than organizational size, some of the smallest organizations received equal or even greater funding amounts than their much larger counterparts. This approach magnified the impact of relief and recovery funds for smaller organizations, and it aligned with the intent of the American Rescue Plan Act (the BARG program leveraged ARPA State and Local Fiscal Recovery Funds dollars), which explicitly recognized the disproportionate impact of the pandemic on communities of color and sought to direct resources toward advancing equity in recovery.[8]

The significance of this support comes in light of the fact that more than one-quarter (28%) of grantee organizations reported receiving no other forms of pandemic-related financial assistance (Figure 16). For these organizations, the City of Berkeley's grants meant the difference between survival and closure, particularly for smaller organizations that may have lacked the capacity or access to other federal, state, or county-level programs.

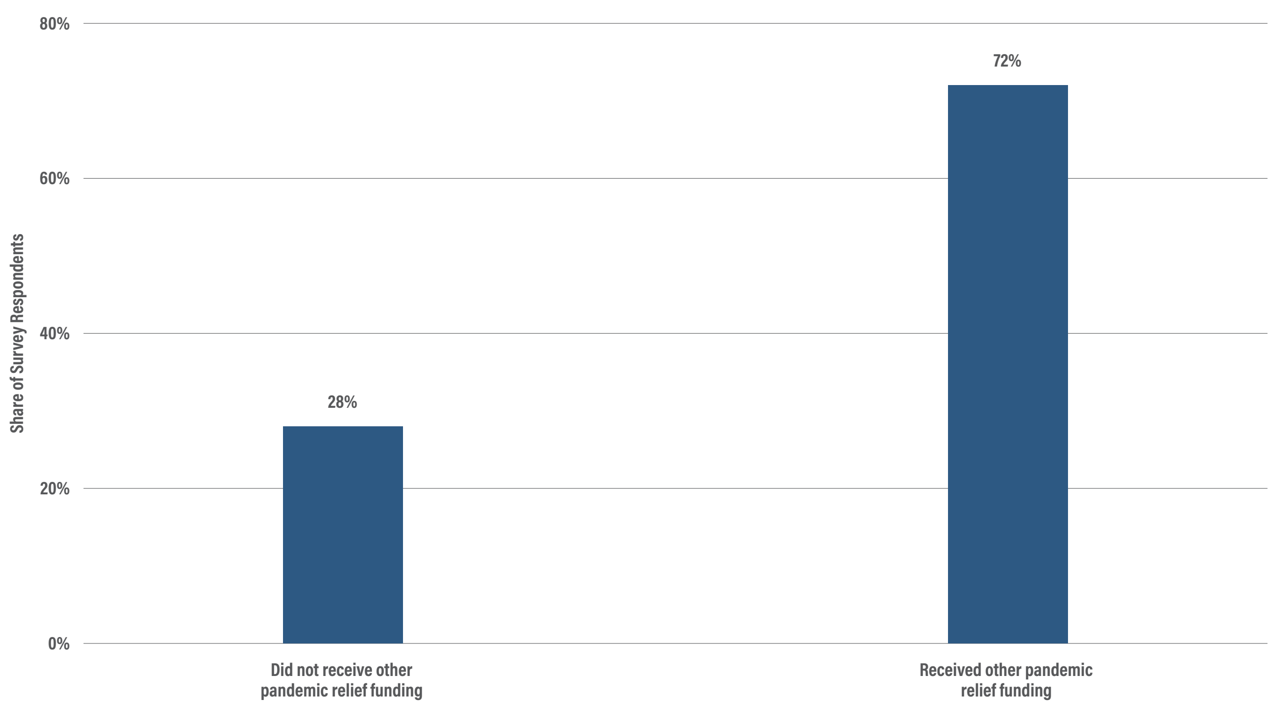
[8] U.S. Department of the Treasury, Coronavirus State and Local Fiscal Recovery Funds: Interim Final Rule, Federal Register, 86(93), 26786–26861 (2021), https://www.federalregister.gov/documents/2021/05/17/2021-10283/coronavirus-state-and-local-fiscal-recovery-funds.

Figure 15: Average Size of Grant in Proportion to Total Operating Budget by Organization Size



Source: City of Berkeley, Internal Revenue Service, CVL Economics.

Figure 16: Share of Respondents that Received Other Pandemic Relief Support

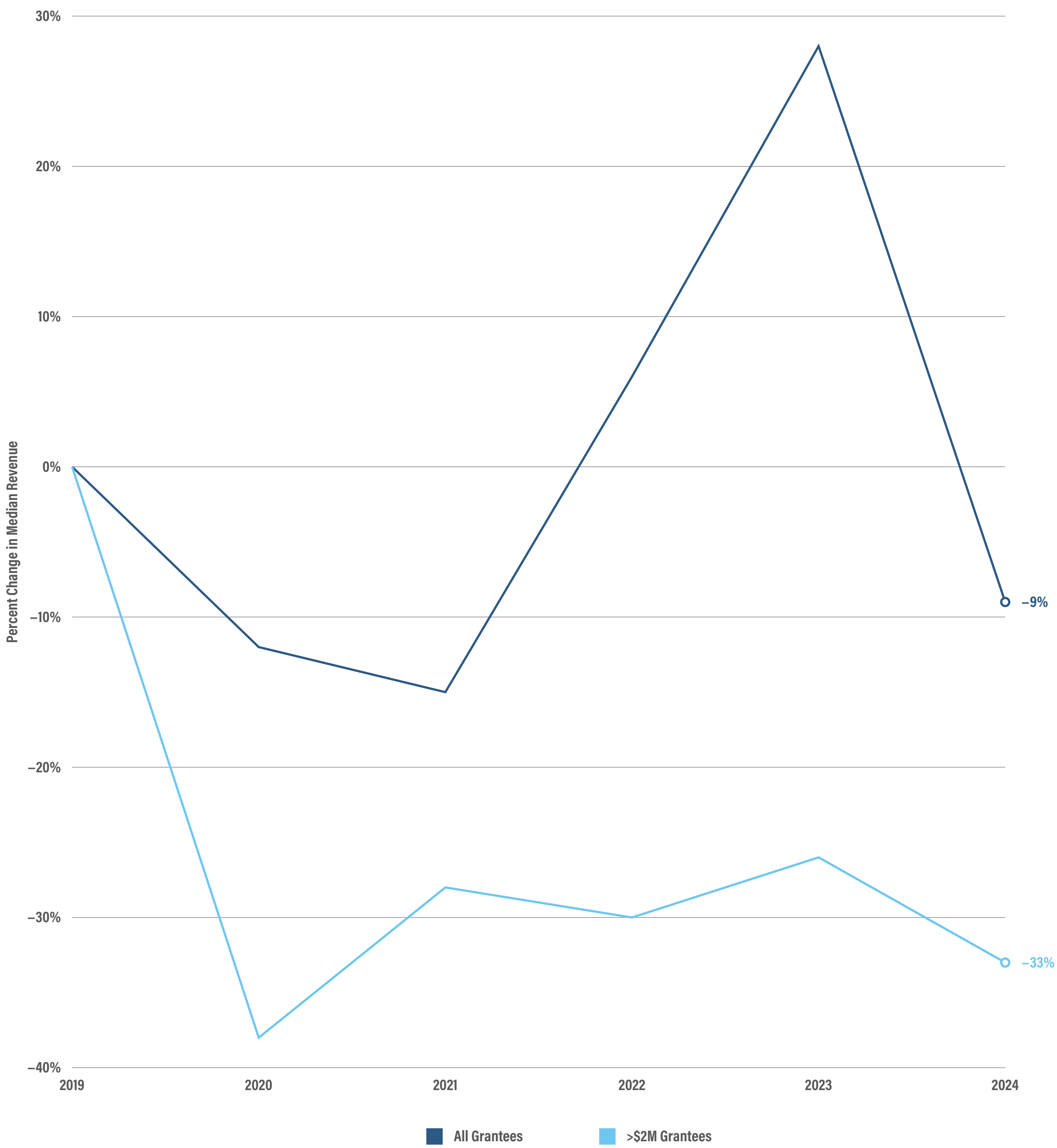


N=30
Source: CVL Economics Survey (2025).

Evolving Revenue Streams and Rising Costs

By 2024, the median revenue across all surviving grantees was still 9% below pre-pandemic levels—although this was still an improvement from the sector's low point in 2021, when the median revenue had fallen 15% from 2019 (Figure 17). While smaller organizations were far more likely to close their doors permanently, those that survived fared relatively better than the largest organizations over time; the median revenue for grantee organizations with budgets above $2 million, on the other hand, is still one-third below 2019 benchmarks.

Figure 17: Percent Change in Median Surviving Berkeley Grantee Revenue Since 2019



Note: Based on the median inflation-adjusted (2024 dollars) revenue across the 71 surviving grantee organizations.
Source: Internal Revenue Service, CVL Economics.

These patterns map onto broader regional trends: smaller organizations tended to show greater resiliency in recovery than their larger counterparts. A 2024 report on the sustainability of Bay Area performing arts organizations post-pandemic found that micro-organizations (defined as very small organizations, often characterized as those with fewer than 10 employees)—despite being largely excluded from federal relief programs—remained nimble by expanding programs and attendance, maintaining or growing their artistic workforce, and prioritizing community engagement and mission-focused recovery, even as expenses outpaced revenue growth.[9] By contrast, while larger organizations experienced the highest increase in government funding during the pandemic and exceptional federal relief programs kept many of these institutions afloat, those temporary funds are now waning, leaving structural financial gaps behind.

Across the Bay Area, arts organization expenses have risen much faster than income. Between 2022 and 2023, total expenses for regional arts organizations increased by 21% while revenues fell 12%. Earned revenue rebounded by 42% in 2023 but remained 26% below pre-pandemic levels after adjusting for inflation. In-person attendance more than doubled between 2022 and 2023, yet still sat 42% below 2019 levels. As a result, organizations have grown increasingly dependent on contributed income.[10]

These local trends reflect broader national patterns in the nonprofit performing arts sector. Nationwide, total income dropped sharply during the pandemic and, while it has begun to recover, expenses have risen at a much faster pace since 2021 (Figure 18). Regional theaters also report losing 20–30% of subscribers since 2019, eroding a dependable source of earned revenue and compounding these financial pressures.[11]

At the same time, the funding mix has shifted: as earned income has struggled to rebound, contributed income now accounts for a larger share of organizational budgets (Figure 19). Even so, recent budget cycles have become more challenging, with heightened competition for contributed dollars. Many foundations are shifting priorities away from the arts, while federal uncertainty has created a chilling effect nationwide. Proposals from the executive branch to eliminate the National Endowment for the Arts and the Corporation for Public Broadcasting, to condition or cancel awarded grants, and to impose new ideological restrictions on future eligibility have further undermined confidence for arts organizations across the country.

Locally, these trends are echoed by the experiences of the grantee organizations in Berkeley. Over 81% reported that financial stability remains their most pressing challenge today, followed closely by rising costs (74%) (Figure 20). Nearly half cited the intensifying competition for limited public and private funding as a major barrier and 30% reported access to affordable space as a top challenge. Some organizations also included rebuilding audience engagement and attendance, difficulty retaining or hiring qualified staff, and limited capacity for grant writing or fundraising as top challenges. Understanding these specific challenges helps inform local grantmaking by highlighting where support is most urgently needed—not only in covering rising operating costs, but also in building organizational capacity, sustaining workforce pipelines, and ensuring that cultural offerings remain accessible in Berkeley.

Feedback from stakeholder outreach reinforced these findings. As one organization leader put it, "It's more expensive than ever to operate in the Bay Area. Meanwhile, federal and state support is drying up and audiences have not returned to pre-pandemic levels." This illustrates the compounding pressures organizations now face: not only are operating costs escalating, but audience behavior has shifted in ways that directly affect earned revenue and long-term sustainability.

For many, this includes challenges rebuilding traditional subscriber bases. While theatre subscribers had already been in steady decline over a long horizon, the pandemic accelerated this trend—leaving older and more risk-averse audiences slower to return and making it increasingly difficult to rely on subscription revenue as a notable income stream. Berkeley Rep illustrates this shift: at its

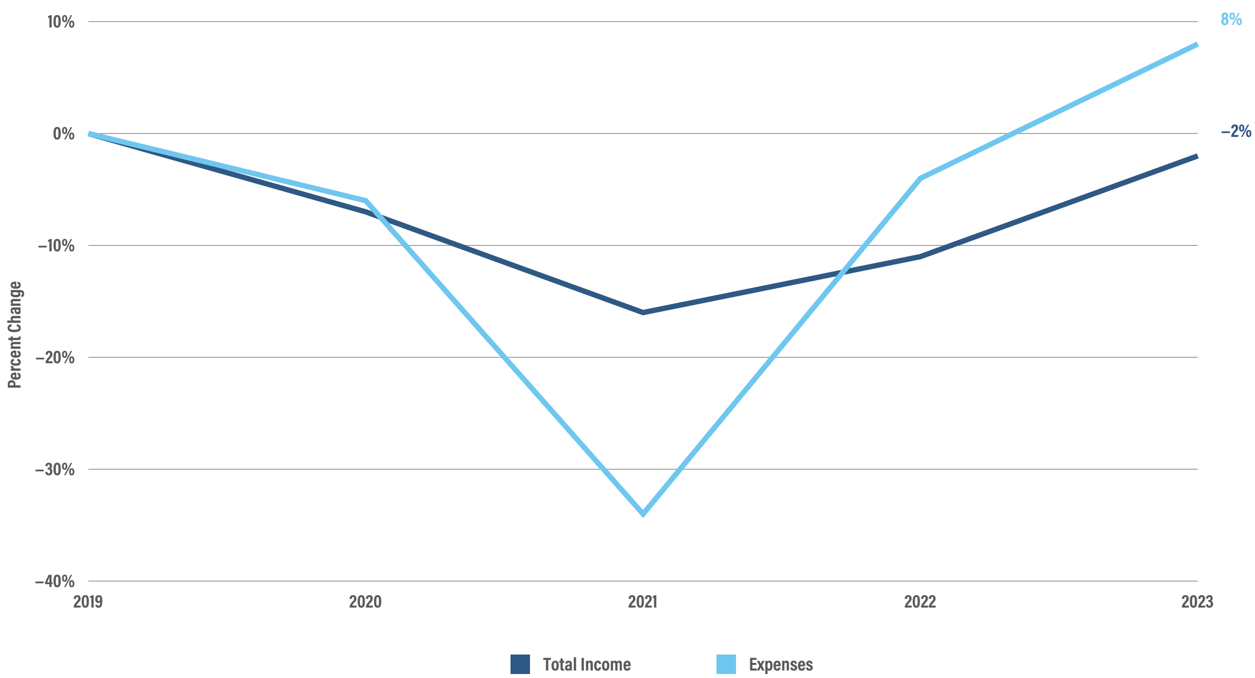
---

9 Kenneth Rainin Foundation & SMU DataArts at Southern Methodist University, Bay Area Arts and Culture Organizational Sustainability Survey Report: Top line findings, 2019–2023 (2024), https://culturaldata.org/learn/data-at-work/2025/kenneth-rainin-foundation-smu-dataarts-bay-area-sustainability-assessment

10 Ibid.

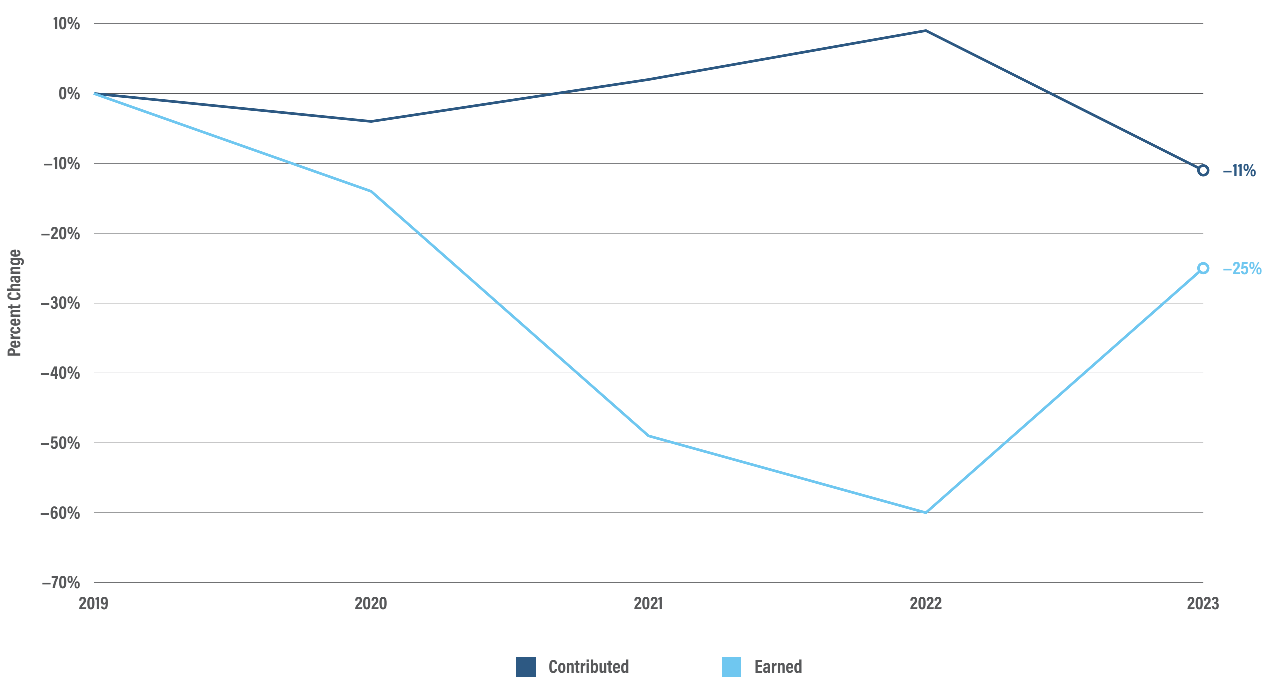
11 Michael Paulson, "A Crisis in America's Theaters Leaves Prestigious Stages Dark," The New York Times, July 23, 2023, https://www.nytimes.com/2023/07/23/theater/regional-theater-crisis.html.

Figure 18: Percent Change in Total Income and Expenses of Nationwide Nonprofit Performing Arts Organizations Since 2019



Source: Theatre Communications Group, CVL Economics.

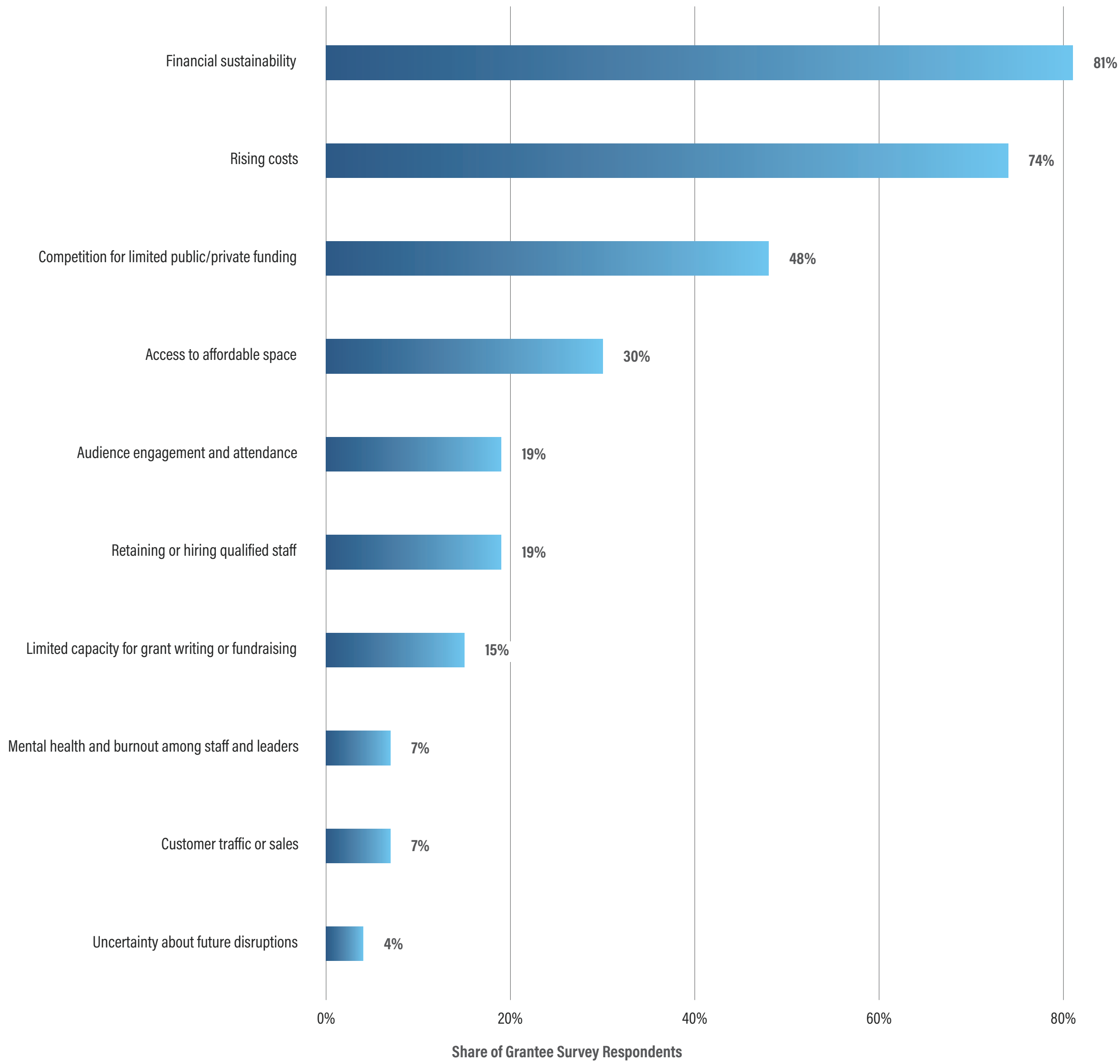
Figure 19: Percent Change in Income Type of Nonprofit Performing Arts Organizations Nationwide since 2019



Source: Theatre Communications Group, CVL Economics.

peak the theatre had about 22,000 season ticket holders, compared to roughly 12,000 just before the pandemic; today subscriptions hover closer to 9,000, with the goal of stabilizing around 10,000—acknowledging it is unlikely to return to pre-pandemic levels. While subscriptions rarely make up the majority of a theatre company's revenue, they serve as a critical pipeline for cultivating individual donors—a major source of contributed income. A shrinking subscriber base not only reduces reliable ticket revenue but also weakens the sense of loyalty that often leads patrons to become long-term donors, making fundraising even more difficult.[12]

Figure 20: Top Challenges Berkeley Art and Culture Organization Grantees Face Today



N=30
Source: CVL Economics Survey (2025).

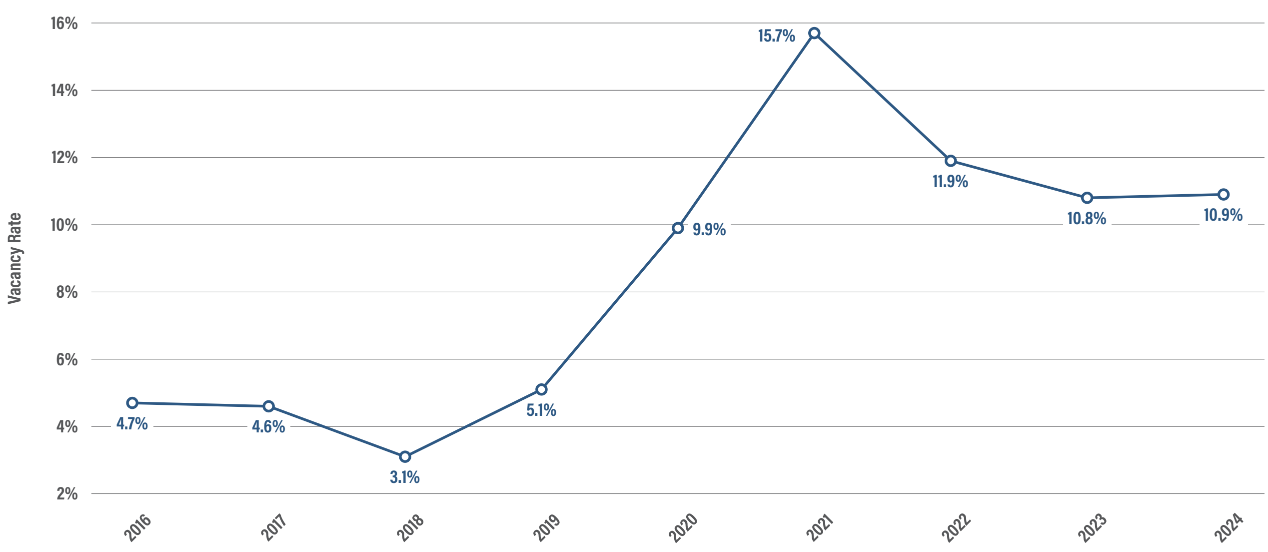
[12] Lily Janiak. "Can Bay Area Theaters Make Subscriptions Sexy Again? A Quick Survey Shows Subscription Declines of 23% to 61% Since the Pandemic." Datebook/San Francisco Chronicle, July 26, 2023. https://datebook.sfchronicle.com/theater/bay-area-theater-subscription-18197863.

Ecosystem Challenges

These financial and audience pressures are compounded by the broader struggles facing Berkeley's urban environment. Empty storefronts, shuttered restaurants, and declining foot traffic have weakened the vibrancy that cultural districts depend on to attract and sustain audiences. As one stakeholder noted, "The Downtown area, like many downtown areas, is visibly struggling to retain tenants and drive foot traffic, which is concerning." "In 2024, Downtown Berkeley's ground floor commercial vacancy rate sat well above pre-pandemic levels (Figure 21). At 10.9%, the vacancy rate was more than double its 3.1% rate in 2019 — driven in large part by the enduring shift to remote and hybrid work, which has sharply reduced demand for traditional office space across the Bay Area. Fewer daily office workers have also meant fewer customers to nearby restaurants, cafés, and shops, which has in turn contributed to a rise in retail vacancies. These economic pressures are compounded by heightened safety concerns and ongoing transportation limitations, which have further reduced accessibility. The result is a more difficult operating environment for cultural organizations: even well-resourced institutions face added headwinds, while smaller and midsize groups struggle most to regain stability.

Across all of these challenges, the recent suspension of Aurora Theatre Company activities in mid-2025 exemplifies how these pressures converge: leadership has pointed to attendance never fully recovering from the pandemic, skyrocketing costs, and shifting philanthropic priorities as factors threatening its future.[13] The theatre joins a growing list of Berkeley organizations that have already closed or gone dormant—including the Bay Area Children's Theatre, TheatreFirst, and the Youth Musical Theatre Company. The precarity extends to the city's remaining flagship organizations as well: Berkeley Repertory Theatre faces a $5 million deficit, Berkeley Symphony is operating with a reported $500,000 structural deficit, and Freight & Salvage has a $200,000 deficit—illustrating how fragile the ecosystem remains.[14]

Figure 21: Downtown Berkeley Groundfloor Commercial Vacancy Rate | 2016–2024



Note: Includes office and retail properties.
Source: City of Berkeley Office of Economic Development, CVL Economics.

13 Lily Janiak, "Bay Area theater moves to lay off staff, vacate downtown Berkeley venue," San Francisco Chronicle, August 12, 2025, https://www.sfchronicle.com/entertainment/article/aurora-theatre-layoffs-venue-vacate-20813096.php

14 Stakeholder interviews.

THE CITY OF BERKELEY'S RETURN ON INVESTMENT IN THE CREATIVE ECONOMY DURING THE PANDEMIC (2020–2022)

While revenues across Berkeley's arts and culture ecosystem remain below pre-pandemic levels, it is important to consider not only what was lost but also what was preserved. Every organization that received Arts Organization Continuity Grant or BARG funding was required to demonstrate clear financial hardship as a condition of eligibility. In the case of Arts Organization Continuity Grants, for example, applicants had to show at least a 25% decline in earned revenue. Half of the grantee organizations experienced revenue loss of over 40%, and some organizations experienced a 100% decline in earned revenue.

Survey results highlight the critical role of the City of Berkeley's funding intervention. More than one-quarter of grantees (28%) reported receiving no other pandemic relief. For these organizations, the City's programs were their only source of external support. Without this funding, it is reasonable to assume that many would have been unable to sustain operations in Berkeley—likely joining the 17 organizations that ultimately closed between 2020 and 2024.

Over a five-year period (2020–2024), **the absence of City relief and recovery support would have resulted in an estimated additional $12.9 million in revenue losses across the local arts and culture ecosystem by 2024.[15] As such, the preservation effect of the City of Berkeley's $2.5 million investment in pandemic relief and recovery support to arts and culture organizations in Berkeley extended far beyond the immediate crisis.**

---

[13] CVL Economics quantified the value of organizations preserved by City funding using organizational operating revenue as the basis, drawing from a master grantee revenue dataset compiled by our firm. This dataset integrates IRS Form 990 filings for each organization and supplementing with revenue data from the City of Berkeley's grant application database and grantee survey responses to fill in gaps. Applying the 28% figure of Berkeley grantees who reported receiving no other pandemic relief to the revenue data as a baseline, and weighting by organizational size (since smaller groups found Berkeley's funds more impactful), $12.9 million is the estimated total revenue value of the at-risk organizations.

When taking into account direct and ripple effects across the local supply chain, **every $1 in City funding leveraged at least $5.64 in ongoing arts and culture economic activity.** This figure was derived using IMPLAN (Impact Analysis for Planning) input–output modeling, which captures not only the direct impacts on grantee organizations and their employees, but also the supply chain effects on local vendors, contractors, and service providers, as well as the induced effects of household spending by arts and related workers.[16] In this way, the estimate reflects the broader ecosystem value preserved by the City's relief and recovery efforts—extending beyond the prevention of immediate closures to safeguarding a network of organizations that continue to generate jobs, sustain community programming, and contribute to local tax revenues today.

While emergency relief and recovery support alone cannot address the sector's long-term structural challenges—particularly around rising costs and audience recovery—the City of Berkeley's intervention illustrates how targeted municipal support can serve as an effective bridge during periods of acute disruption, maintaining cultural capacity that might otherwise be permanently lost.

[16] See Appendix A.2 for more details on return on investment methodology.

PANDEMIC RELIEF AND RECOVERY FOR ARTS & CULTURE INDIVIDUALS

In addition to pandemic relief and recovery grants awarded to arts and culture organizations, the City of Berkeley awarded $523,089 across three grant programs between 2020 and 2022 for Berkeley-based individuals engaged in the arts (Figure 22).

These programs aimed to sustain the livelihoods of artists, performers, and cultural practitioners who faced significant income loss due to COVID-19 disruptions. In particular, they prioritized support for lower-income individuals and those from historically underrepresented communities, providing direct financial assistance at a time when creative work opportunities were severely limited.

THE EAST BAY/OAKLAND RELIEF FUND FOR INDIVIDUALS IN THE ARTS (2020)

This program was a regional emergency grant launched in May 2020 to support artists and cultural workers in Alameda and Contra Costa counties. Administered by the Center for Cultural Innovation (CCI), the fund included $49,000 directly from the City of Berkeley, which ultimately leveraged a total of $64,500 in awards to Berkeley artists. The additional dollars came from unrestricted contributions by local foundations,[17] meaning Berkeley's participation drew in more resources to benefit the local community than the City invested directly. In total, 515 individuals received grants of up to $1,500—including 47 Berkeley artists. The program prioritized BIPOC, immigrant, disabled, and trans individuals and was designed to provide fast, non-taxable relief without requiring tax or citizenship documentation.

THE BERKELEY ART WORKS PROJECTS GRANTS (2021)

First launched in 2021 by the City's Civic Arts Program, the Berkeley Art Works Projects (BAWP) grants awarded nearly $182,339 in grants to 32 Berkeley-based artists, performers, and community members to create temporary public art projects. These works addressed themes of public health, economic resilience, and community belonging. The program's name was a deliberate play on the Works Progress Administration (WPA), the New Deal–era initiative that employed artists to create public works during the Great Depression. In a similar spirit, BAWP was designed not simply as relief funding but as an employment initiative—providing income to artists while generating public benefit through new creative works.

Funded through the City's Cultural Trust Fund (Fund 148) BAWP supported creative responses to the emotional and social toll of the pandemic and produced public artworks across the city. Unlike the other pandemic grant programs for individual artists and cultural workers, these awards functioned more like compensation for services rendered, including related material costs—ensuring that artists were paid to create projects that directly engaged and benefitted the Berkeley community.

BERKELEY ARTS RECOVERY GRANTS (BARG) FOR ARTISTS AND CULTURAL PRACTITIONERS (2022)

Aimed at supporting individual artists and cultural practitioners impacted by the pandemic, this program was administered in partnership with the CCI and funded through ARPA. In 2022, it awarded $276,250 to 114 Berkeley-based recipients, with grant amounts ranging from $1,250 to $8,000. Priority was given to those experiencing significant financial hardship, particularly from historically marginalized communities, and applicants were evaluated based on income loss from arts-related work, geographic distribution, and residence in underserved neighborhoods. Grants were unrestricted and designed to sustain creative practitioners during a period of prolonged economic instability.

---

17 Berkeley Relief Fund, "About the Berkeley Relief Fund," https://berkeleyrelieffund.org/about/.

Figure 22: Summary of Berkeley Pandemic Relief and Recovery Grants for Individuals in Berkeley

	PROGRAM YEAR	RECIPIENT TYPE	NUMBER OF GRANTEES	TOTAL AMOUNT AWARDED	AVERAGE GRANT AWARDED
EAST BAY/OAKLAND RELIEF FUND FOR INDIVIDUALS IN THE ARTS*	2020	Individual artists and arts workers	47	$64,500	$1,372
BERKELEY ART WORKS PROJECT (BAWP)	2021	Individual artists, performers, and community members	32	$182,339	$5,698
BERKELEY ARTS RECOVERY GRANTS (BARG) FOR ARTISTS AND CULTURAL PRACTITIONERS	2022	Individual artists, culture bearers, teaching artists	114	$276,250	$2,423

*Table includes only the program's Berkeley allocations.
Source: City of Berkeley, CVL Economics.

Pandemic Relief and Recovery Grant Impact for Arts & Culture Individuals in Berkeley

These awards reached artists across a wide range of creative disciplines spanning visual and performing arts, literary arts, design, digital media, education, and folk/traditional practices. This diversity highlights how the relief and recovery programs not only sustained individual incomes, but also helped preserve the city's rich and multifaceted cultural landscape during a time of widespread disruption.

Direct-to-artist pandemic support played a vital role in stabilizing household budgets during an unprecedented crisis. The awards—ranging from an average of $1,372 through the East Bay/Oakland Relief Fund to $5,698 through the Berkeley Art Works Projects—provided a critical bridge for individual artists, teaching artists, and culture bearers to cover essential living costs. For many, this meant helping to cover essential household expenses, such as rent or mortgage payments, groceries, utilities, or medical bills, at a time when other income sources had collapsed. In this way, relief and recovery dollars not only stabilized artists and their families but also circulated quickly back into Berkeley's local economy, sustaining neighborhood grocery stores, restaurants, landlords, and service providers during a broader period of contraction.

To put their value into context, the scale of the grants becomes especially clear when measured against local housing costs. The median monthly individual housing payment (including renters and owners) for Berkeley arts and culture workers is $1,100.[18] Housing is often the single largest expense for artists and cultural workers, and in the context of widespread income loss, even short-term support provided critical stability.

In May 2020, the East Bay/Oakland Relief Fund arrived during the immediate aftermath of shutdowns when uncertainty was at its peak. The average $1,372 awarded to each individual

[18] This is the median per capita housing payment for Berkeley arts and culture workers, which adjusts for household size. This figure is calculated from the U.S. Census Bureau's 2023 5-Year Public Use Microdata Sample (PUMS), which averages data collected between 2019 and 2023.

represented the equivalent of just over one month of rent (Figure 23). Although smaller in size than the other individual grants, this was a meaningful bridge for artists facing a sudden collapse of earned income, helping them cover essential living expenses when opportunities were limited.

The Berkeley Art Works Projects (2021) provided the most substantial lifeline for awarded individuals, with average grants of $5,698. Assuming 25% of each grant was allocated toward material costs, the BAWP grant covered nearly four months of average individual housing costs. At a moment when the sector was still struggling with extended closures, this level of support allowed artists to stabilize their personal circumstances while working on their creative practice and benefiting the general Berkeley public by improving the public realm with works of art and performances.

Finally, the Berkeley Arts Recovery Grants (2022) offered average awards of $2,423, or the equivalent of more than two months of rent. While smaller than the BAWP program, this support was still critical in providing paid opportunities for artists at a time when many venues remained closed and other sources of work were scarce.

Figure 23: Average Grant Value in Terms of Individual Housing Costs

	AVERAGE GRANT AWARD	EQUIVALENT MONTHS OF INDIVIDUAL HOUSING COSTS *
EAST BAY/OAKLAND RELIEF FUND FOR INDIVIDUALS IN THE ARTS**	$1,372	1.3 Months
BERKELEY ART WORKS PROJECTS (BAWP)	$5,698	3.9 Months***
BERKELEY ARTS RECOVERY GRANTS (BARG) FOR ARTISTS AND CULTURAL PRACTITIONERS	$2,423	2.2 Months

* Based on the median monthly per capita housing payment for Berkeley arts and culture workers, averaged across 2019–2023.
**Table includes only the program's Berkeley allocations.
*** Since BAWP grants covered paid public art projects, this reflects the assumption that 25% of the grant covered material costs for the project.

Source: City of Berkeley, U.S. Census Bureau 5-Year American Community Survey Public-Use Microdata Sample (2023), CVL Economics.

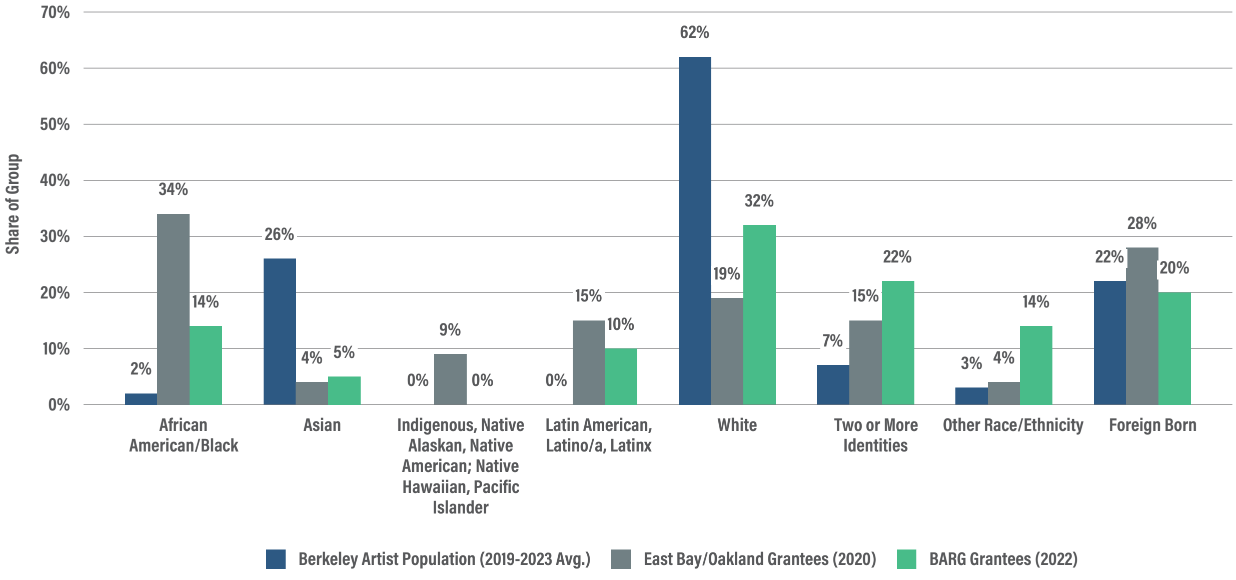
AN EQUITABLE FUNDING APPROACH

The demographic makeup of individual artist grantees in Berkeley reflects the City of Berkeley's commitment to cultural equity and inclusion in its pandemic relief and recovery efforts. In terms of race and ethnicity distribution, while African American or Black residents make up just 2% of Berkeley's artist population,[19] they represented 14% of BARG grantees and 34% of East Bay/Oakland Relief Fund grantees (Figure 24). Similarly, individuals identifying as Latinx, Indigenous or Native, and those of two or more racial identities were represented at significantly higher rates than their proportions in the general population, suggesting that relief and recovery funds were effectively prioritized for historically marginalized communities.

Although Asian residents comprised only 5% of BARG and 4% of East Bay/Oakland grantees while accounting for 26% of Berkeley's general population, this disparity reflects the composition of the applicant pool, and awards largely mirrored the share of Asian-identifying applicants. Additionally, foreign-born individuals made up 28% of East Bay/Oakland grantees and 20% of BARG grantees, compared to 22% of Berkeley's artist population.

These trends highlight how the City of Berkeley's cultural relief and recovery programs for individual artists during the pandemic not only addressed economic precarity, but also advanced racial and cultural equity by investing in artists who have been historically excluded from opportunities and in communities disproportionately impacted by the pandemic.

Figure 24: Demographic Distribution of Pandemic-Era Grantees Compared to Berkeley's Total Artist Population | 2019–2023



Note: Includes grantee data for the BARG and East Bay/Oakland programs; these were the two largest programs in terms of number of grant recipients. See Appendix A.3 for detailed methodology on defining the Berkeley artist population.
Source: City of Berkeley, U.S. Census Bureau American Community Survey 5-Year Public Use Microdata Sample (2023), CVL Economics.

[18] The Berkeley artist population is defined as individuals working in selected occupations identified by the federal Standard Occupational Classification (SOC) codes, which includes jobs in visual arts and design; media and communications; performing arts; film, television, and digital media; and other creative technical roles. See Appendix A.3 for a detailed methodology and list of SOC codes.

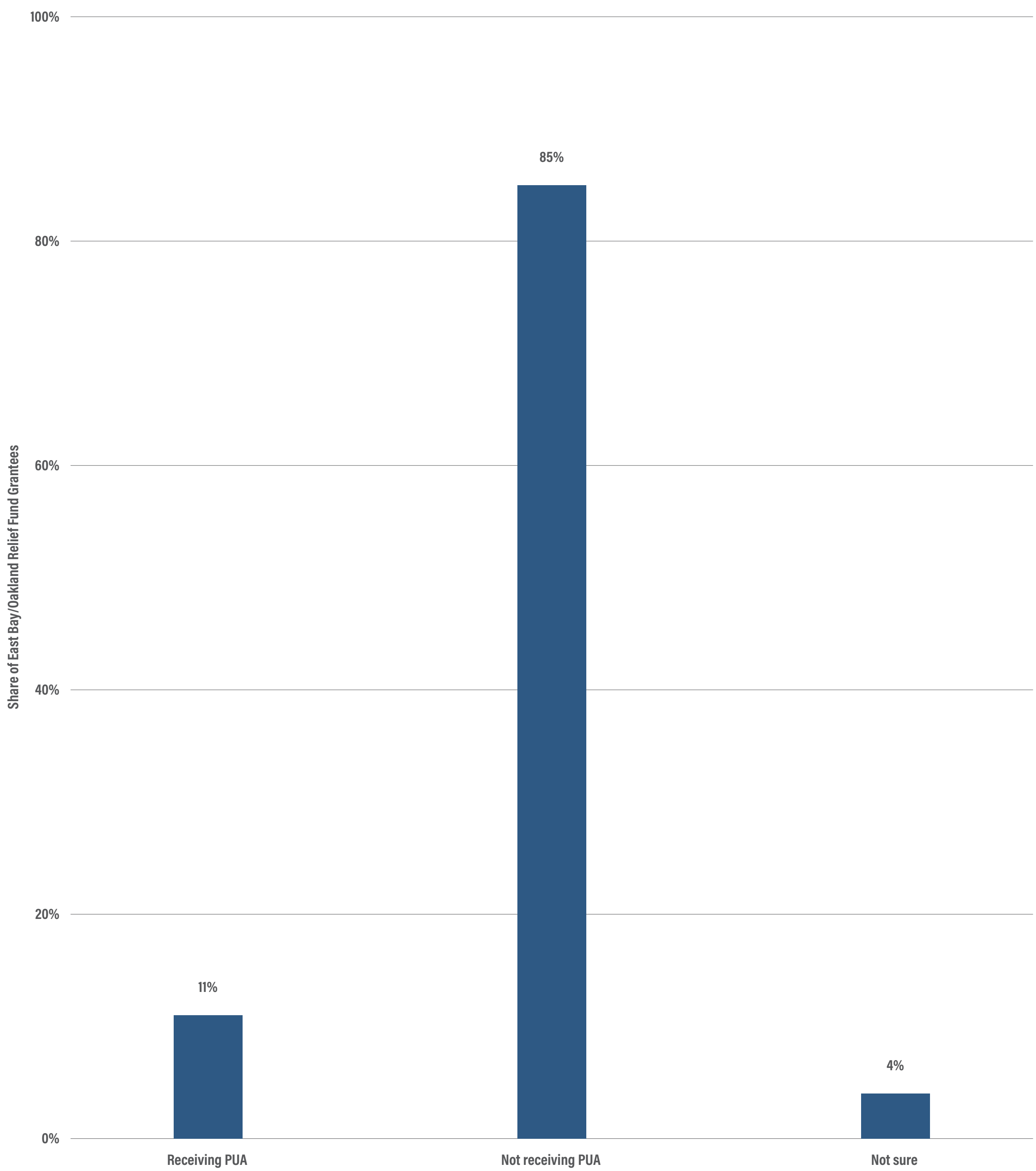
Understanding Artist Needs

Creative work is often characterized by freelance, gig-based, or self-directed employment—forms of labor that typically fall outside traditional systems of worker protections and public benefits. During the pandemic, federal programs like Pandemic Unemployment Assistance (PUA) were created to extend eligibility to independent contractors and self-employed workers, offering critical relief for many in the arts. Yet in the earliest months of the shutdown, PUA was slow to roll out and many applicants faced delays or administrative hurdles before receiving payments.

This made the City of Berkeley's early intervention in funding this population all the more vital. Nearly 85% of East Bay/Oakland Relief Fund grantees reported they had not yet received PUA at the time of their City of Berkeley grant application (Figure 25). By moving quickly, Berkeley's contribution to this regional relief effort ensured that artists received immediate support when other aid was not yet available. These local grants filled a critical gap, helping to cover housing, food, and other essentials at the peak of uncertainty, and allowing many artists to remain in Berkeley when displacement was a real risk.

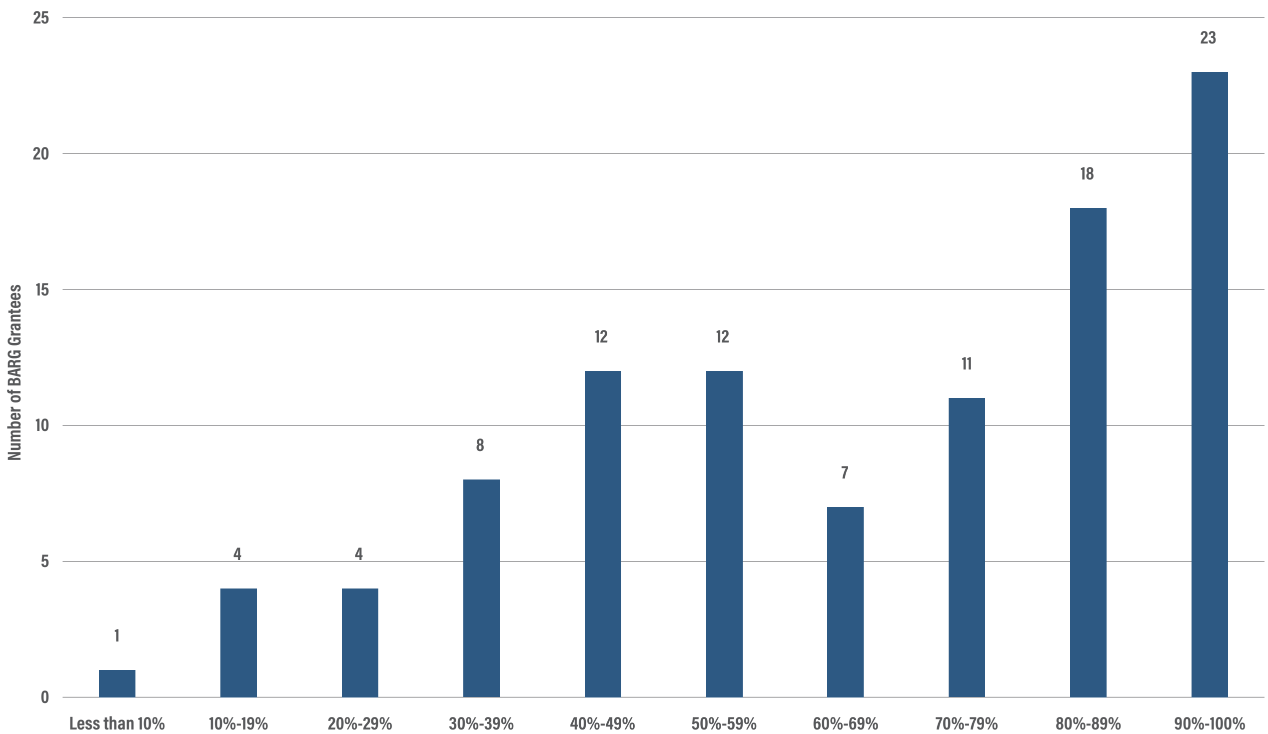
Berkeley's pandemic relief and recovery grants reached artists who were among the hardest hit by the crisis. More than half of all grantees experienced a loss of 50% or more in their arts-related income between 2019 and 2020, including nearly one-quarter who lost 90% to 100% of their income during that period (Figure 26). Indeed, two-thirds of grantees reported making less than $10,000 in arts-related income in 2020, and over 90% earned under $30,000 that year (Figure 27).

Figure 25: Share of Grantees Receiving Pandemic Unemployment Assistance (PUA) Benefits at Time of Grant Application | May–June 2020



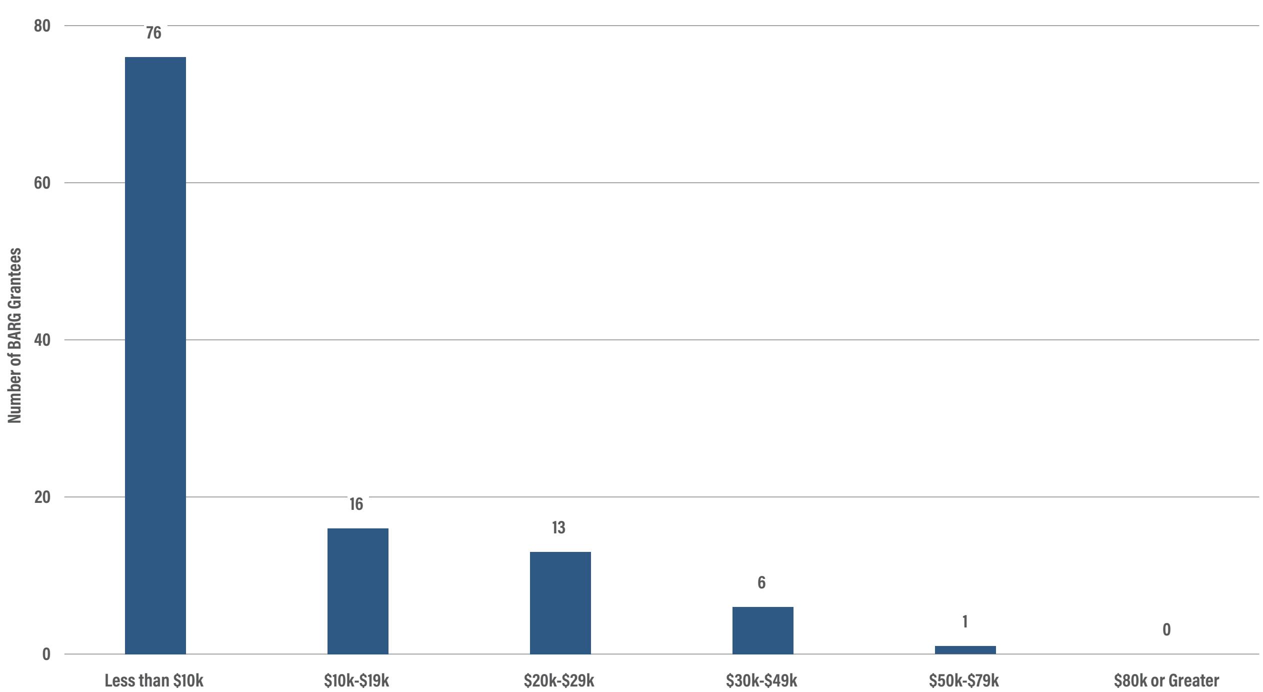
Note: Includes grantee data for the East Bay/Oakland Relief Fund program.
Source: City of Berkeley, CVL Economics.

Figure 26: Number of BARG Grantees by Percentage of Arts-Related Income Lost between 2019–2020



Source: City of Berkeley, CVL Economics.

Figure 27: Number of BARG Grantees by 2020 Arts-Related Income Bracket



Source: City of Berkeley, CVL Economics.

CONCLUSION: SUSTAINING BERKELEY'S ARTS & CULTURE ECOSYSTEM

Arts and culture form a vital part of Berkeley's community life—shaping the city's identity, enriching public spaces, and providing opportunities for connection, creativity, and expression.

A thriving cultural ecosystem depends on many interlocking parts from individual artists and small collectives to established organizations and major venues. When this ecosystem is under strain, the effects ripple outward, limiting opportunities for participation, weakening creative networks, and eroding the cultural vibrancy that defines the city.

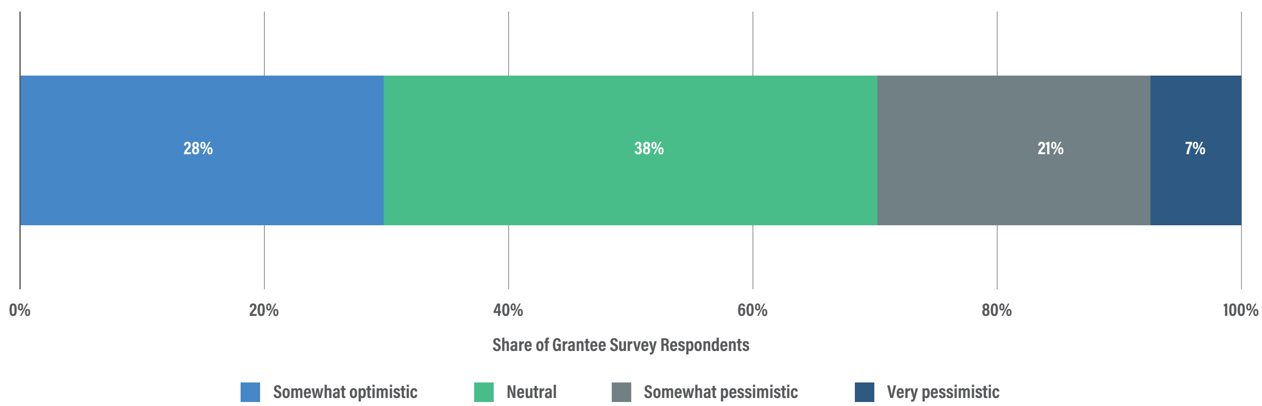
The stability of cornerstone cultural institutions is critical not just for their own survival, but for the vitality of the entire artistic ecosystem. When even established organizations are at risk, it threatens Berkeley's identity as a cultural center and sends discouraging signals to smaller companies and emerging artists working to establish themselves. Protecting these institutions is therefore about more than sustaining current programming—it is about safeguarding pathways for future generations and ensuring that the region continues to foster creativity, innovation, and community engagement.

Berkeley's pandemic relief and recovery efforts were extraordinary in both scale and impact. By mobilizing more than $3 million for both individuals and organizations in emergency grants, the City provided lifelines to dozens of arts and culture organizations and nearly 200 individual artists during one of the most disruptive crises in modern history. These funds helped prevent permanent closures, sustained creative practices, and ultimately enabled Berkeley to prevent its creative fabric from completely fraying.

Yet the road ahead remains uncertain. One-time relief and recovery funding helped many organizations and artists survive the immediate crisis, but long-term sustainability will require ongoing attention and investment. High operating costs—commercial rents, wages, utilities, insurance—remain a persistent burden. At the same time, philanthropic support is tightening and public funding sources remain limited and highly competitive.

Survey responses reflect both resilience and fragility on the outlook of Berkeley's arts & culture sector (Figure 28 and Figure 29). Many see renewed energy, community demand, and resilience across Berkeley's cultural landscape. At the same time, others remain deeply concerned about financial sustainability, affordability, and the slow pace of recovery from the COVID-19 Pandemic of 2020. This split outlook underscores the importance of funding continuity: without sustained support, hard-won gains may erode, but with targeted continued investment, the City of Berkeley can solidify its reputation as a cultural hub while ensuring equitable access to arts for future generations.

Figure 28: Outlook on Berkeley's Arts & Culture Sector from Grant Recipients | June 2025



N = 30
Source: CVL Economics Survey (2025).

Figure 29: Detailed Outlook on Berkeley's Arts & Culture Sector from Grant Recipients | June 2025

OPTIMISTIC OUTLOOKS	UNCERTAIN OUTLOOKS
Strong interest and engagement in the arts; hopeful audiences are returning.	Many feel it's "too early to tell" which direction things are headed.
Community demand and momentum despite challenges.	Concerned about long-term sustainability, closures, and diminished philanthropy.
Commitment from City of Berkeley and collaborative spirit cited as positive drivers.	Rising Bay Area costs, lack of viable performance space, and drying up of public support noted as major risks.
Seeing demand for mid-size venues and opportunities for new spaces.	Downtown struggles (e.g., reduced foot traffic, empty storefronts, crime) hurting recovery.
Confidence in sector resilience, innovation, and interdependence.	Audiences slower to return; uncertain policy environment and ongoing affordability crisis.

N = 30
Source: CVL Economics Survey (2025).

APPENDIX

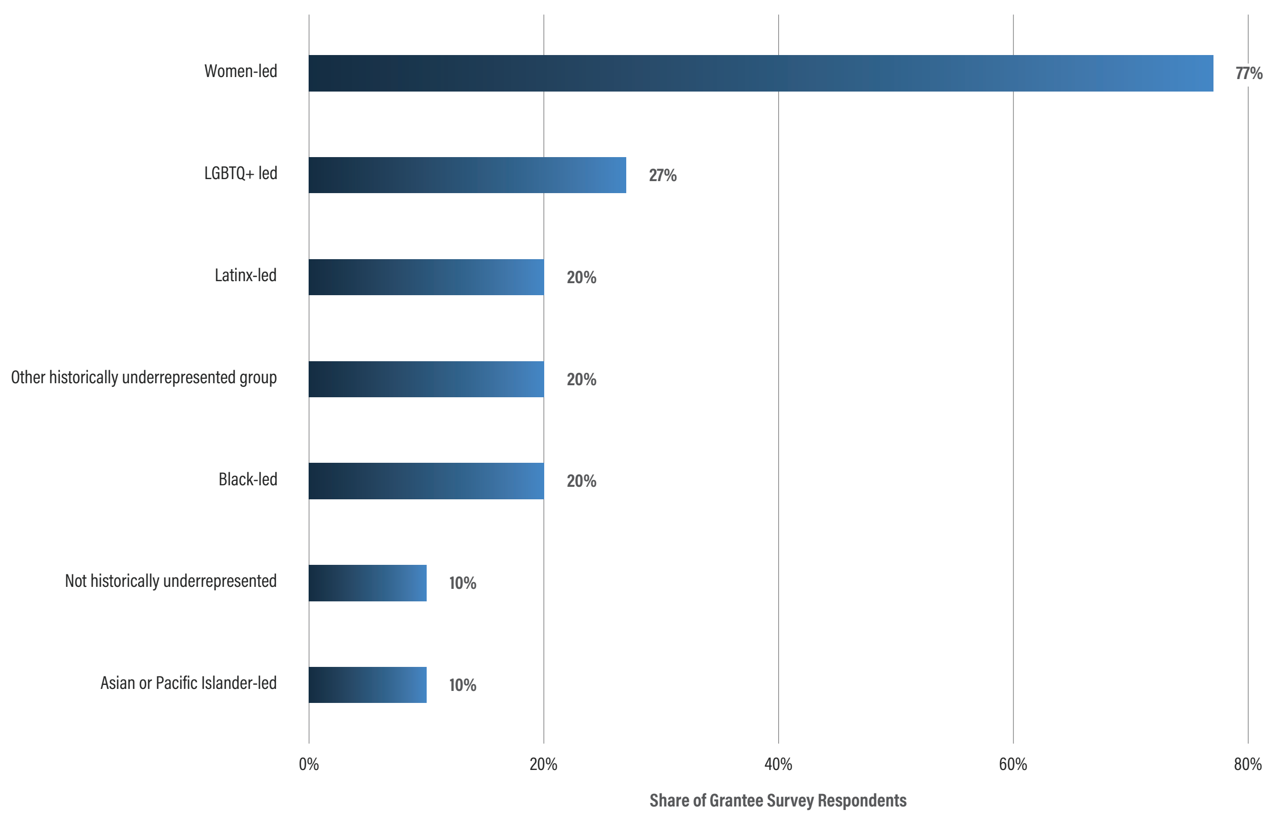
A.1: SURVEY OF BERKELEY ARTS & CULTURE ORGANIZATION GRANT RECIPIENTS

To better understand how Berkeley's pandemic relief and recovery funding shaped the local arts ecosystem, CVL Economics surveyed grantee organizations. Of the 88 organizations that received support through the Arts Organization Continuity Grants (2020) or the Berkeley Arts Recovery Grants (BARG, 2022), 30 (34%) completed the survey, providing valuable insights into both the immediate and lasting effects of the City's investment.

The survey captured a diverse mix of organizations in terms of size, discipline, and leadership demographics. Respondents ranged from very small, community-based nonprofits with annual budgets under $100,000 to larger institutions with multimillion-dollar operations. Disciplines represented included performing arts, visual arts, festivals, and educational organizations, reflecting the broad spectrum of Berkeley's creative ecosystem. Responses also included organizations led by people of color, LGBTQ+ leaders, and women, ensuring that a range of perspectives and experiences were reflected in the findings.

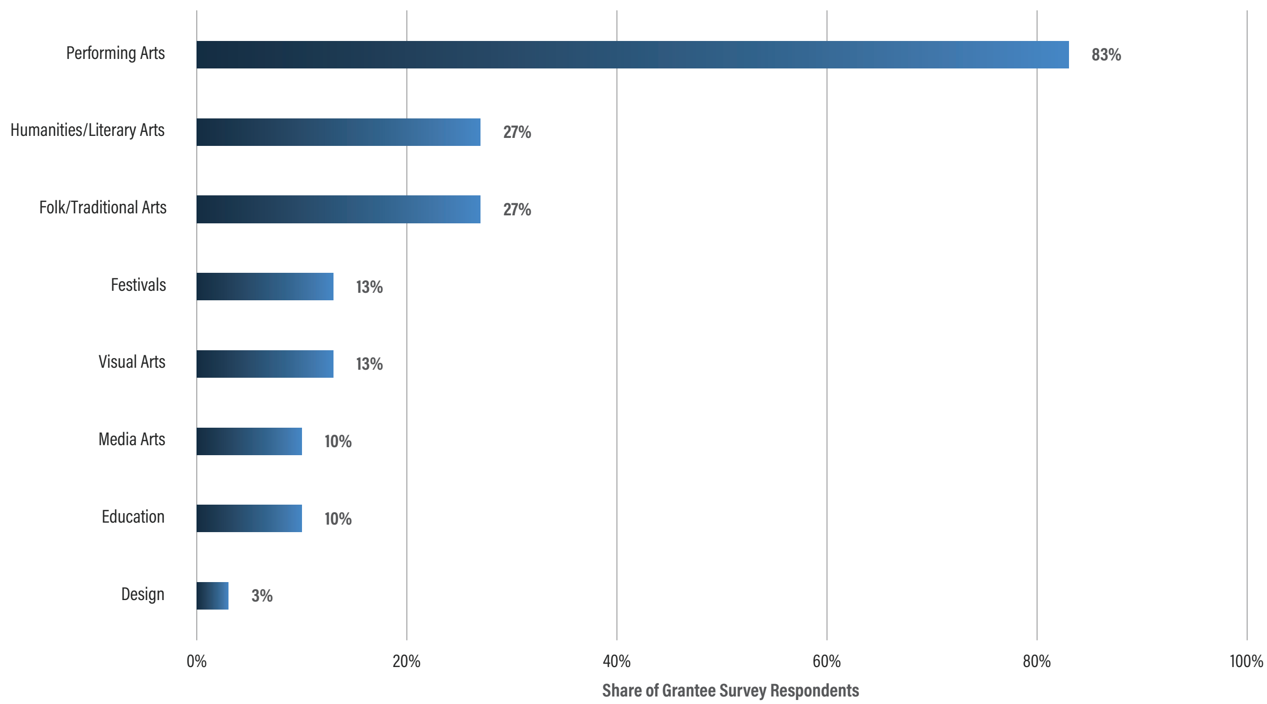
Additional survey responses can be found below.

Figure A.1.1 Share of Respondents by Leadership Demographics



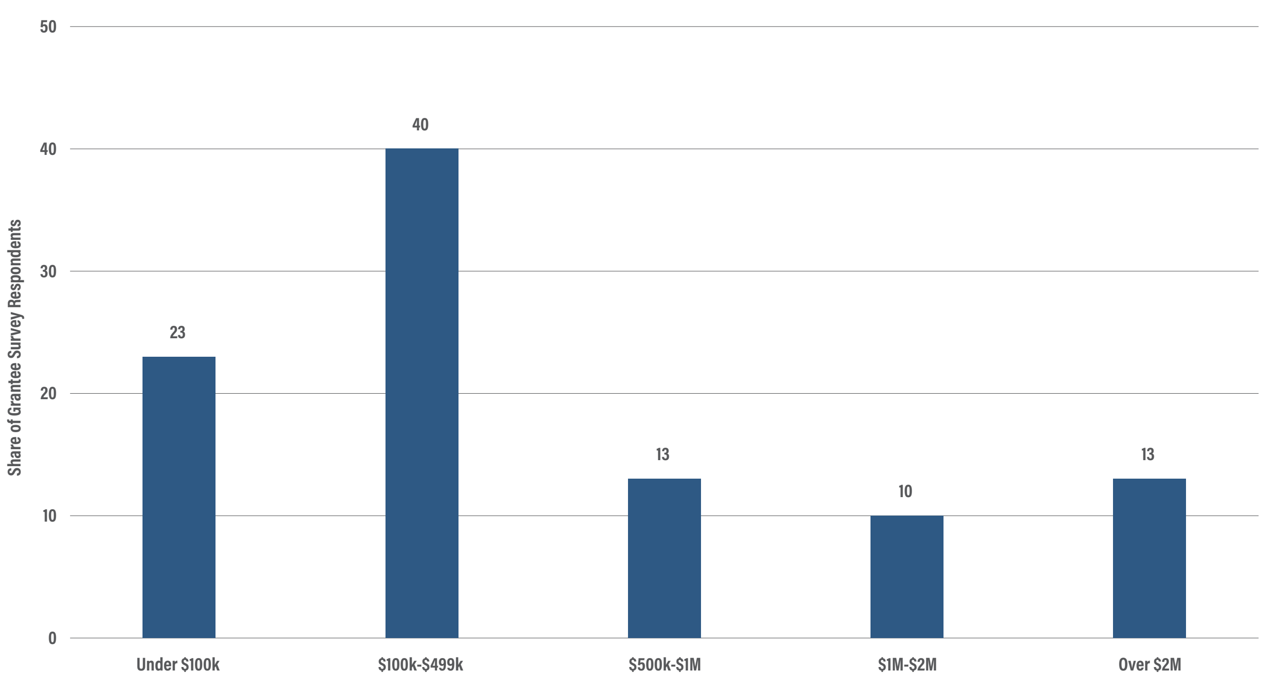
N = 30
Source: CVL Economics Survey (2025).

Figure A.1.2 Share of Respondents by Arts & Culture Discipline (Multi-Choice)



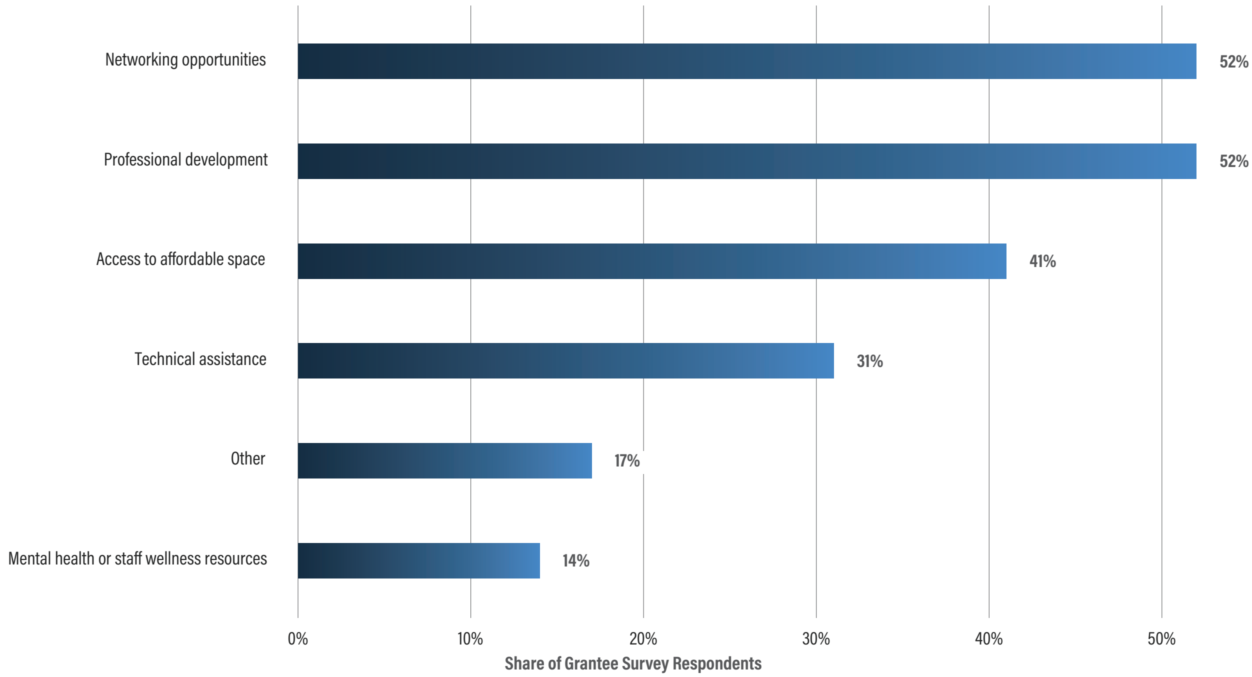
N = 30
Source: CVL Economics Survey (2025).

Figure A.1.3 Share of Respondents by Organization Size



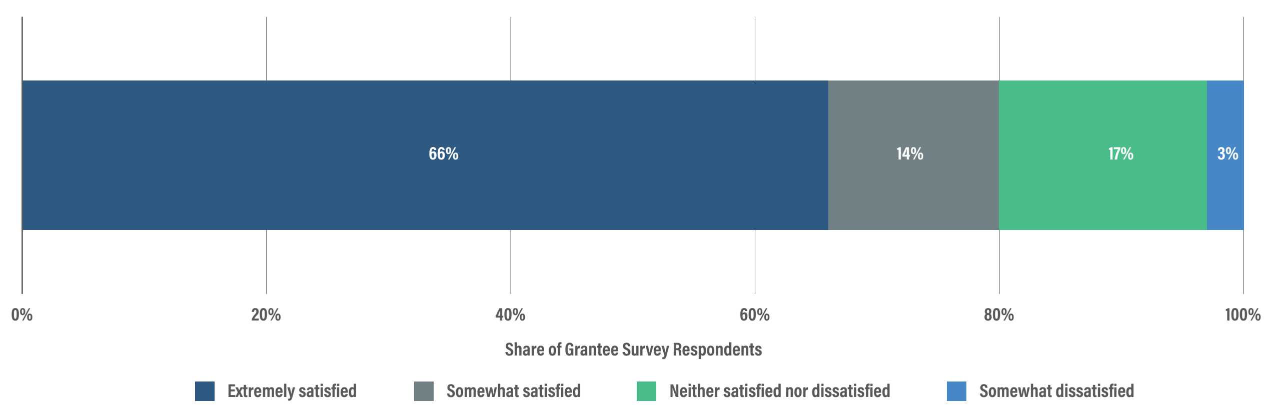
N = 30
Source: CVL Economics Survey (2025).

Figure A.1.4 Top Organizational Support Needs Beyond Funding for 2025–2030



N = 30
Source: CVL Economics Survey (2025).

Figure A.1.5 Degree of Satisfaction with Administration of Pandemic Relief and Recovery Grants in Berkeley | 2020–2022



N = 30
Source: CVL Economics Survey (2025).

A.2: BERKELEY'S RETURN ON INVESMENT ON PANDEMIC RELIEF AND RECOVERY FUNDING TO ARTS AND CULTURE ORGANIZATIONS

The City of Berkeley's relief and recovery funding for arts and culture organizations was evaluated through a return on investment (ROI) framework, designed to measure not only immediate stabilization but also the longer-term value preserved in the local economy.

The first step was to define the scope of the creative economy in order to capture impacts across the entire creative ecosystem. Economic data are reported using the standardized North American Industry Classification System (NAICS), which allows for consistency and comparability across datasets. Because no single NAICS code fully captures this sector, CVL Economics developed a curated set of industries spanning performing arts, visual arts, film, media, design, and related support services (see below for a detailed list of NAICS codes).

We quantified the value of organizations preserved by City funding using organizational revenue as the basis, drawing from a master grantee revenue dataset compiled by CVL Economics. This dataset integrates IRS Form 990 filings for each organization and supplementing with revenue data from the City of Berkeley's grant application database and grantee survey responses to fill in gaps. Grantee surveys and applications also established a baseline of financial hardship: all recipients of Arts Organization Continuity Grants and Berkeley Arts Recovery Grants (BARG) documented significant revenue losses. Survey results further revealed that 28% of grantees received no other pandemic relief, making the City of Berkeley's support their sole external lifeline.

Using the master revenue dataset and the 28% figure as a baseline for the additional organizations that would have closed without funding (and weighting by organizational size to reflect the greater impact of funding on smaller groups), we estimate that the combined annual revenues of these at-risk organizations totaled $12.9 million.

To translate these preserved revenues into economic ROI, we employed IMPLAN's input–output modeling system. IMPLAN is widely used by governments and researchers to quantify the total value of an investment, capturing not only the direct benefits to grantees, but also the indirect benefits to vendors, contractors, and service providers, as well as the induced effects from household spending by arts workers. This analysis found that these preserved arts organizations generated a total of $14 million in economic output in the City of Berkeley, reflecting the full ripple effects across the local economy.

Through this framework, we estimate that every $1 invested by the City leveraged at least $5.64 in ongoing arts and culture economic activity. This ratio represents the ROI of Berkeley's $2.5 million in relief and recovery funding to arts and culture organizations.

Figure A.2 Creative Economy Industry Classification Codes

INDUSTRY CATEGORY AND DESCRIPTION	NAICS
ARCHITECTURE & DESIGN	
Ornamental and Architectural Metal Work Manufacturing	332323
Architectural Services	541310
Landscape Architectural Services	541320
Drafting Services	541340
Interior Design Services	541410
Industrial Design Services	541420
COMMUNICATION DESIGN	
Graphic Design Services	541430
Advertising Agencies	541810
Photography Studios, Portrait	541921
Commercial Photography	541922
ENTERTAINMENT & DIGITAL MEDIA	
Motion Picture and Video Production	512110
Motion Picture and Video Distribution	512120
Teleproduction and Other Postproduction Services	512191
Sound Recording Studios	512240
Software Publishers	513210
Radio Broadcasting Stations	516110
Television Broadcasting Stations	516120
Media Streaming Distribution Services, Social Networks, Other Media Networks and Content Providers	516210

INDUSTRY CATEGORY AND DESCRIPTION	NAICS
FASHION	
Fiber, Yarn, and Thread Mills	313110
Broadwoven Fabric Mills	313210
Narrow Fabric Mills and Schiffli Machine Embroidery	313220
Nonwoven Fabric Mills	313230
Knit Fabric Mills	313240
Textile and Fabric Finishing Mills	313310
Fabric Coating Mills	313320
Apparel Knitting Mills	315120
Cut and Sew Apparel Contractors	315210
Cut and Sew Apparel Manufacturing (except Contractors)	315250
Apparel Accessories and Other Apparel Manufacturing	315990
Footwear Manufacturing	316210
Other Leather and Allied Product Manufacturing	316990
Toilet Preparation Manufacturing	325620
Jewelry and Silverware Manufacturing	339910
Jewelry, Watch, Precious Stone, and Precious Metal Merchant Wholesalers	423940
Piece Goods, Notions, and Other Dry Goods Merchant Wholesalers	424310
Footwear Merchant Wholesalers	424340
Clothing and Clothing Accessories Merchant Wholesalers	424350
Other Specialized Design Services	541490
FINE ARTS SCHOOLS	
Fine Arts Schools	611610
FURNITURE, TOYS & DECORATIVE ARTS	
Carpet and Rug Mills	314110
Curtain and Linen Mills	314120
Textile Bag and Canvas Mills	314910
Rope, Cordage, Twine, Tire Cord, and Tire Fabric Mills	314994
All Other Miscellaneous Textile Product Mills	314999
Pottery, Ceramics, and Plumbing Fixture Manufacturing	327110
Other Pressed and Blown Glass and Glassware Manufacturing	327212
All Other Miscellaneous Nonmetallic Mineral Product Manufacturing	327999
Wood Kitchen Cabinet and Countertop Manufacturing	337110
Upholstered Household Furniture Manufacturing	337121
Nonupholstered Wood Household Furniture Manufacturing	337122
Household Furniture (except Wood and Upholstered) Manufacturing	337126
Institutional Furniture Manufacturing	337127

INDUSTRY CATEGORY AND DESCRIPTION	NAICS
Wood Office Furniture Manufacturing	337211
Custom Architectural Woodwork and Millwork Manufacturing	337212
Office Furniture (except Wood) Manufacturing	337214
Showcase, Partition, Shelving, and Locker Manufacturing	337215
Mattress Manufacturing	337910
Blind and Shade Manufacturing	337920
Doll, Toy, and Game Manufacturing	339930
Furniture Merchant Wholesalers	423210
Home Furnishing Merchant Wholesalers	423220
Toy and Hobby Goods and Supplies Merchant Wholesalers	423920
PUBLISHING & PRINTING	
Commercial Printing (except Screen and Books)	323111
Commercial Screen Printing	323113
Books Printing	323117
Support Activities for Printing	323120
Book, Periodical, and Newspaper Merchant Wholesalers	424920
Newspaper Publishers	513110
Periodical Publishers	513120
Book Publishers	513130
Directory and Mailing List Publishers	513140
Greeting Card Publishers	513191
All Other Publishers	513199
Libraries and Archives	519210
VISUAL & PERFORMING ARTS	
Musical Instrument Manufacturing	339992
Art Dealers	459920
Theater Companies and Dinner Theaters	711110
Dance Companies	711120
Musical Groups and Artists	711130
Other Performing Arts Companies	711190
Agents and Managers for Artists, Athletes, Entertainers, and Other Public Figures	711410
Independent Artists, Writers, and Performers	711510
Museums	712110

A.3: DEFINING BERKELEY'S ARTIST POPULATION

To analyze Berkeley's artist workforce, we defined an "artist population" within the Public Use Microdata Sample (PUMS) based on occupational classifications. Specifically, we restricted the dataset to individuals whose Standard Occupational Classification (SOC) codes align with creative, cultural, and artistic work.

The SOC codes were used to capture a wide spectrum of artistic and creative occupations, including:

- **Visual arts and design fields** (e.g., art directors, fine artists, designers, animators, architects)
- **Media and communication occupations** (e.g., writers, editors, reporters, broadcasters, public relations specialists)
- **Performing arts and entertainment** (e.g., performers, dancers, musicians)
- **Film, television, and digital media production** (e.g., producers, directors, camera operators, sound technicians, editors)
- **Other creative technical roles** (e.g., computer occupations in visual effects/animation, printing workers, sound engineering, lighting technicians).

The following SOC codes were included in our definition:

- **112011** – Advertising and Promotions Managers
- **112021** – Marketing Managers
- **112030** – Public Relations and Fundraising Managers
- **119041** – Architectural and Engineering Managers
- **131011** – Agents and Business Managers of Artists, Performers, and Athletes
- **151251** – Software Developers, Applications
- **151252** – Software Developers, Systems Software
- **151253** – Software Quality Assurance Analysts and Testers
- **151254** – Web Developers
- **151255** – Web and Digital Interface Designers
- **171011** – Architects (Except Landscape and Naval)
- **171012** – Landscape Architects
- **171020** – Surveyors, Cartographers, and Photogrammetrists
- **173011** – Architectural and Civil Drafters
- **254010** – Postsecondary Teachers, Art, Drama, and Music
- **271010** – Artists and Related Workers
- **271021** – Animators and Special Effects Artists
- **271022** – Fine Artists, Including Painters, Sculptors, and Illustrators
- **271024** – Graphic Designers
- **271025** – Industrial Designers
- **271026** – Fashion Designers
- **272011** – Actors
- **272012** – Producers and Directors
- **272030** – Dancers and Choreographers
- **272041** – Music Directors and Composers
- **272042** – Musicians and Singers
- **272099** – Entertainers and Performers, All Other
- **273011** – Broadcast Announcers and Radio Disc Jockeys
- **273031** – News Analysts, Reporters, and Journalists
- **273042** – Media and Communication Workers, All Other
- **273043** – Public Relations Specialists

- **273099** – Media and Communication Occupations, All Other
- **274021** – Photographers
- **274022** – Camera Operators, Television, Video, and Film
- **274023** – Film and Video Editors
- **274024** – Audio and Video Technicians
- **274025** – Lighting Technicians
- **274026** – Sound Engineering Technicians
- **274027** – Broadcast, Sound, and Lighting Technicians, All Other
- **274028** – Motion Picture Projectionists
- **274029** – Media Equipment Workers, All Other
- **274030** – Television, Video, and Film Camera Operators and Editors
- **393011** – Motion Picture Projectionists
- **393012** – Ushers, Lobby Attendants, and Ticket Takers
- **393013** – Entertainment Attendants and Related Workers, All Other
- **393019** – Miscellaneous Entertainment Attendants and Related Workers
- **515111** – News Analysts, Reporters, and Journalists
- **515112** – Editors
- **515113** – Technical Writers
- **516021** – Commercial and Industrial Designers
- **516031** – Floral Designers
- **516040** – Merchandise Displayers and Window Trimmers
- **516050** – Set and Exhibit Designers
- **516093** – Costume Attendants
- **516099** – Media and Communication Equipment Workers, All Other
- **517011** – Radio Operators
- **517021** – Sound Engineering Technicians
- **517031** – Broadcast Technicians
- **517041** – Media and Communication Equipment Workers, All Other
- **517099** – Media and Communication Workers, All Other
- **519071** – Jewelers and Precious Stone and Metal Workers
- **519194** – Musical Instrument Repairers and Tuners

Assessment of Berkeley Arts & Culture Pandemic Relief and Recovery Funding

DECEMBER 2025

ACKNOWLEDGMENTS

This report was made possible through the leadership and support of the City of Berkeley, including the Office of Economic Development and its Civic Arts Program, the Civic Arts Commission, and Berkeley City Council, whose commitment to advancing the city's creative and cultural vitality guided this work. We also extend our appreciation to the many nonprofit arts and culture organizations, creative practitioners, and community stakeholders who generously contributed their time, insights, and experiences.

PREPARED BY:

CVL Economics is an economic consulting firm that takes a data-driven, human-centric approach to equitable development and sustainable growth. Founded in 2021, CVL Economics partners with communities, municipalities, organizations, and institutions to address today's most complex challenges and foster bold action. Coupling robust economic models with innovative research methodologies, we provide decision-makers with the actionable insights needed to effect change, expand opportunity, and improve economic well-being.