



City of San Antonio

Agenda Memorandum

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Agenda Item Number: 3

Agenda Date: April 12, 2022

In Control: Community Health, Environment and Culture Committee

DEPARTMENT: Department of Arts and Culture

DEPARTMENT HEAD: Krystal Jones

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Briefing on the American Rescue Plan Act (ARPA) Funds for Arts.

SUMMARY:

On February 3, 2022, City Council allocated \$5 million in American Rescue Plan Act (ARPA) funds to the arts. The Department of Arts & Culture will provide an overview of the impact of COVID-19 on artists and arts organizations, previous funding provided to the arts through the Coronavirus Aid, Relief, and Economic Security Act (CARES), and considerations for the distribution of ARPA funding to San Antonio arts and arts organizations.

BACKGROUND INFORMATION:

The COVID-19 pandemic immediately devastated San Antonio's creative economy. The pandemic caused organizations and businesses that house artistic programming to shutter their doors, cancel performances and exhibitions, cut budgets, and reduce personnel. This ultimately

impacted individual artists, who lost jobs and gigs due to these cancellations, budget cuts, and closures.

On June 4, 2020, as part of San Antonio's allocation of CARES funding, City Council approved \$2.6 million to be distributed to nonprofit arts organizations and individual artists impacted by COVID-19. As a result, the Department of Arts & Culture developed and administered the SA CARES 4 Art grant program. The program provided grants to nonprofits based on budget, size, and culturally specific missions, and artists up to \$5,000, with preference provided to racial and ethnic communities of color, women, LGBTQIA+, veterans and those living in historically disadvantaged census tracts as shown on the City of San Antonio's Equity Atlas. Grants were provided to 47 nonprofits and 130 individual artists, with nonprofits stating more than \$24 million in total losses between March and December 2020 and artists reporting more than \$1.5 million in losses.

As of January 12, 2021, the total direct impact to San Antonio arts organizations was estimated to be \$71 million with the \$4.1 billion economic impact of the creative industry in 2019 reduced by 16 percent to \$3.4 billion in 2020. Since this report, with variants like Omicron, the arts continued to be negatively impacted by the pandemic into 2022 with closures and cancellations to keep attendees, artists, and staff safe. The result, according to Americans for the Arts, is that the creative industry is recovering slower than the nation's overall economy.

On February 3, 2022, City Council approved the spending framework for Local Fiscal Recovery Funds received by the City of San Antonio under ARPA. This framework included \$5 million for the arts. Initial community and Council feedback received through the City of San Antonio's ARPA process include:

- Art grant program
- Arts agencies and individual artists disproportionately impacted by COVID-19
- Performing arts and venues
- Support arts institutions so they thrive beyond the pandemic
- Model the SA CARES 4 Art Grant Program
- Target \$4M for nonprofits & \$1M for individual artists
- Increase Culturally Specific Support to Core Grants Program level (up to 20%)
- Incorporate San Antonio Arts Commission (SAAC) in process
- Conduct extensive outreach through channels including Council Offices, marketing & communications initiatives, businesses/organizations that support the arts, previous grant applicants, SA Artist Registry, partner organizations, and ARPA stakeholders

ISSUE:

The Department of Arts & Culture will provide a briefing on the impact of the COVID-19 pandemic on San Antonio arts organizations and artists, the previous distribution of CARES funding to the arts, and considerations for the distribution of ARPA funding to the arts.

FISCAL IMPACT:

The total budget for the Arts Support Pillar is \$5 million. The budget for the distribution of this funding was approved by City Council on February 3, 2022.

ALTERNATIVES:

This item is for briefing purposes only.

RECOMMENDATION:

This is a briefing item to the Community Health, Environment, and Culture Council Committee on the disbursement of ARPA Funds for Arts. Using feedback provided by the Committee, the Department of Arts & Culture will develop a plan that identifies COVID-19's impact on the Arts, responds to the impact, benefits those impacted and promotes equitable outcomes, defines key outcome goals and performance indicators, and includes a four-year implementation plan. No recommendation is being made at this time.