

May 13, 2022

Dear City Councilmembers and City Staff,

Thank you very much for your leadership during these very challenging two years and for your commitment to Sacramento's creative sector.

I am writing today to ask that you preserve the existing budget of \$3.4 million for the Sacramento Office of Arts and Culture (OAC) and forgo the draft budget's \$2.6 million in proposed cuts. And please forgo the elimination of the \$2.6 million augmentation in the draft budget. The arts and culture sector is an important contributor to the region's growth and one that has been hit particularly hard by the pandemic.

I stand with the city's artists and arts community as well as **Friends of the Sacramento Arts, and the Sacramento Alliance for Regional Arts (SARA) in requesting that the city preserve the existing budget for the OAC so that they may continue providing vital resources to a sector still struggling to stabilize itself:**

- ARTS WORK – In 2019 the arts and culture sector supported 32,000 jobs that totaled \$1.6 billion in associated earnings proving that our sector supports the livelihoods and wellbeing of thousands of households throughout the city and county.
- Funding artists and arts organizations relates directly to the City revenue stream through cultural tourism and parking. The arts bring people to the City whose patronage and investment results in revenue to the City therefore a thriving arts and cultural community is a fiscally-sound priority for the City and the revenue projections.
- The one-time ARP Federal funds address short-term issues caused by the pandemic but do not address long-term sustainability beyond the availability of these funds. Eliminating general operating funds for the OAC in the 22/23 budget sets a dangerous precedent.
- Prior to the allocation of federal stimulus monies Sacramento had historically lagged behind other California cities of a similar size and demographic in relation to per capita arts funding.
- By eliminating critically-needed funds for the arts and the creative economy, we are allowing any progress made in the few years to stop and likely reverse any strides made in the creative economy, artists and arts organizations and arts education in our public schools.
- The Measure U Committee supports the Office of Arts and Culture and recommends investing in the arts and creative economy.

According to a recent report by the OAC, the creative industries in Sacramento County were responsible for nearly 32,000 jobs and \$1.6 billion in associated earnings in 2019. Just over 8,000 of those jobs were in the arts and entertainment side of the sector. This side of the sector relies heavily on revenue from live events, indoor attractions, gatherings, and group

participation and is only just now starting to regain its footing as a result of the Covid-19 Pandemic. The impact is considerable - a survey of nonprofits and creative businesses in the 7-county region showed nearly \$40 million in financial losses since the start of the pandemic (much of that in Sacramento County). We're not alone - nationwide rates of unemployment in our sector exceed those of the food services and drinking establishments.

Further, a report by McKinsey & Company stated the arts, entertainment, and recreation sectors will not fully recover from this public health crisis and muted economy until 2025, which means sustained support will be critical to secure the future of this asset. The city's draft operating budget for fiscal year 22/23 is \$1.4billion, replacing the proposed \$2.6million in cuts would equal less than 1% percent of that budget.

We recognize it will take considerable effort and coordination to help the city recover from the devastating effects of the pandemic. The toll on the mental health of our young people and older adults who have experienced considerable social isolation, is significant. The arts are frequently called on to reactivate our city's core, provide social and emotional learning resources to area youth, and serve as a convening for a community still healing wounds left by the pandemic.

The last few years have galvanized the creative community around the need for consistent advocacy efforts regarding arts funding. We realize the difficulty in prioritizing the city's funding allocations. That said, what we are advocating for is the preservation of funds we've worked hard to establish for our sector. This is no time to go backward and the Sacramento community has made it clear that funding for arts and culture is a priority to them.

Funding the arts and culture sector will help reach communities hardest hit by the pandemic through arts education and community programming. Funding towards the arts will also bolster the creative workforce, provide reasons for people to re-engage with the cultural civic amenities in the city and bolster tourism, which will contribute to the economic recovery of our region.

Thank you for your consideration. We welcome the opportunity to talk with you about this request at your convenience.