

ArtsGreensboro Requests One Million Dollars of Coronavirus Relief Funds to Remediate the Costs of COVID 19 to the Guilford County Arts Community

The arts develop and supply a creative workforce that is essential to Guilford County's innovation economy, employing 6,000 people and contributing \$7.2 million in local tax revenue. The arts and culture sector represents \$162 million in economic impact. This sector is too vital to lose.

US Treasury Guidance: The US Treasury stipulates that local governments may use CRF (Coronavirus Relief Funds) to make business interruption grants to cover revenue losses of businesses, including nonprofits. These may include expenditures incurred to allow the State, territorial, local, or Tribal government to respond directly to the emergency, such as by addressing medical or public health needs, as well as expenditures incurred to respond to second-order effects of the emergency, **such as by providing economic support to those suffering from employment or business interruptions due to COVID-19-related business closures.** Allowable expenses: Expenses associated with the provision of economic support in connection with the COVID-19 public health emergency, such as **"Expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures."** See note below

It Works in Other Cities: Other communities across the country are using CRF to sustain the arts and culture sector.

- Phoenix AZ: The Phoenix City Council approved federal Coronavirus Relief Funding to help support working artists who experienced financial hardship because of the pandemic crisis. Funding is managed by the Phoenix Office of Arts and Culture.
- Sacramento CA: The Sacramento City Council approved the framework for the \$7.5 million Creative Economy Recovery program designed to help arts groups, tourism, and cultural organizations during the pandemic. It is funded by the \$89 million the City received from the federal CARES Act.
- San Antonio TX: San Antonio City Council authorized \$2.6M in federal CRF dollars for nonprofit arts businesses and individual artists who suffered business interruption caused by required closures from March 13, 2020 – December 31, 2020, due to the COVID-19 pandemic.

On the Ground In Guilford County: ArtsGreensboro has been Guilford County's trusted arts partner for decades as your local official nonprofit united arts council and State-local partner. On your behalf, we serve more than 80 arts organizations and hundreds of artists countywide. The arts in Guilford County enrich the lives of county residents, educates our children, and provides therapy to veterans and those with physical and mental challenges.

A snapshot survey assessing the impact of the COVID-19 crisis on Guilford County's arts and culture organizations was conducted on July 13 and 14, 2020. The findings were devastating. With 40 organizations reporting, we found that **more than \$6.8 million in earned and contributed revenue has been lost, and over 389 have been laid off or furloughed. The total decrease in economic impact is greater than \$16.0 million since the shutdown.** Worse than that: many of these organizations will not even be able to reopen for public gathering until Spring 2021—a full year of closure that will be devastating.

In a joint effort, ArtsGreensboro and High Point Arts Council will set up and administer a grant program for arts organizations. **Grants will cover the directly related to costs of remediating or responding to COVID-19, including reimbursement of losses from business interruptions caused by closures intended to slow the spread of COVID-19 beginning March 13, 2020.** We will replicate the United Way model for granting CARES funds. ArtsGreensboro and the High Point Arts Council will convene an advisory body to distribute funds to arts organizations per CRF guidelines. All funds will be distributed by December 31, 2020.

Summary: ArtsGreensboro and High Point Arts Council will assist Guilford County via a grants process to ensure the arts remain a strong contributor to our economic vitality. A \$1 million allocation of passthrough CARES Funds as grant dollars will meet the goals outlined in the legislation and provide for a better, more vibrant 2021. Time is not our friend here, Guilford County can lead by example in explicitly addressing the clear need within the arts and culture sector.

Note: ArtsNC requested the NC Pandemic Recovery Office to issue clear and specific guidance to counties that CRF funds may be used to create a business interruption grant program for arts nonprofits.

Guilford County Arts Organizations
 Summary Survey Results
 Impact of COVID 19

Type of Organization	Nonprofit	For Profit	Other	Total	Notes
Total number of people furloughed	222	10	3	235	Includes contracted artists
Total number of vacant positions not filled	68	5	0	73	
Total performances/events canceled	74	9	2	85	
The estimate of total lost attendance	1,217	2,193	8	3,418	
The decrease in earned revenue (as compared to the same period last year)	663,793	23,500	500	687,793	
The decrease in contributed revenue (as compared to the same period last year)	5,280,923	299,504	3,000	5,583,427	
Direct Dollar Impact	1,390,346	30,500	6,000	1,426,846	
PPP	657,426	330,000	9,000	1,000,426	
SBA + EIDL + NEA	2,100,252	450	-	2,100,702	
Local	774,992	133,200	-	908,192	
Total Relief Funds	104,301	19,078	-	123,379	
	2,979,951	1,927,728	-	4,907,679	When source was not clarified, assumed PPP

Total organizations responded: 43

Lost economic impact opportunity

Total Impact

\$ 9,470,910 Audience x average per person spending (\$13.77) per AFTA Prosperity Study
 \$ 16,481,183 Direct dollar impact + economic impact opportunity