

# Durham Culture & Arts – Invest to Restart:

*How American Rescue Plan Funding Can Support Durham's Creative Sector Recovery from the Covid-19 Pandemic and Catalyze New Economic Growth*



**Arts and Culture are a key part of Durham's identity and pride of community, and a significant economic driver in this region. Durham's arts and cultural assets have helped to make it a top creative-class hub in the United States.** <sup>1</sup>

**Durham has more than 75 non-profit arts and cultural organizations, over 4,400 working artists & creative sector professionals, and dozens of for-profit arts and cultural businesses and venues - ALL DRASTICALLY IMPACTED AND FINANCIALLY DEVASTATED FROM 18 MONTHS OF PANDEMIC CLOSURES.**

Durham arts and cultural organizations, venues, artists and creative sector producers need financial support to emerge from the pandemic and restart arts and cultural programming and events that will once again attract visitors, residents and strong economic activity.

*"Cultural organizations were among the first businesses to shut down at the start of the pandemic, and they'll be among the last to fully reopen," says Ra Joy, Chief of Staff at the National Endowment for the Arts.*

<sup>1</sup> Richard Florida, Kevin Stolarick, *Rise of the Creative Class*, Bureau of Labor Statistics to reveal the metropolitan statistical areas with the highest concentrations of creative class labor pools. *Creative class in Durham in 2012 accounted for nearly 50 percent of the workforce.* CNN Money, May 2015.

Durham's arts and cultural sector came to a grinding halt in March 2020 due to the Covid-19 Pandemic. Revenue losses after 18 months



exceed \$20.5 million. A recent report by the Center for Civil Society Studies indicates that the Arts, Entertainment, and Recreation nonprofit sector is expected to take nearly 2.5 years to recover from the pandemic.<sup>2</sup>

The arts and cultural sector of Durham is a key economic driver and partner in making Durham a vibrant, successful community that attracts and supports a diverse and talented workforce. Pre-pandemic, Durham's non-profit arts and cultural sector contributed \$154.2 million annually to Durham's economy, supported 5,722 FTE jobs, and provided 2.8 million arts/cultural experiences each year.<sup>3</sup> Pre-pandemic, Durham's arts and entertainment venues attracted international artists and packed houses. On a more intimate scale, smaller venues and organizations offered a vibrant range of renowned artists and informal and innovative arts programs. Durham's rich visual arts, film, music & dance festivals were also well established, featuring world-renowned artists and Durham's diverse, resourceful, and creative local independent artists for the enjoyment of audiences from North Carolina and across the United States. Durham is also home to important historic and cultural assets such as Museum of Life and Science, Museum of Durham History, Bennett Place, Duke Homestead, and Stagville State Historic Site – all strong attractions and cultural resources for our community.

## THE NEED FOR AMERICAN RESCUE PLAN FUNDING

Durham Arts Council conducted 2 Covid Impact Surveys of Arts/Cultural Sector in 2020, 2021. Data reported from 78 Durham Arts & Cultural Organizations & Businesses and 114 artists that responded to the Covid Impact Survey indicates:

- \* **Job losses** - Respondents reported over 2,000 arts and cultural jobs lost
- \* **Revenue losses** of well over \$20.5 million in the arts and cultural sector March 2020 – June 2021.
- \* 98% organizations surveyed report **difficult to extreme impact**
- \* **Over 2 million arts experiences/event attendees lost** and the economic impact that these create
- \* **Covid Relief Funding to date as of July 2021 does not meet the full need** \$6.5 million in grants to arts/cultural sector have been provided from the Durham Arts Council, NC Arts Council, CARES, Shuttered Venues grant, NEA, Payroll Protection Loans, and private funds so far ..... However, **THE FUNDING GAP FOR ARTS & CULTURE IN DURHAM is \$14 million + and growing!**

*“The arts play a huge role in supporting our economy and diversifying the communities we live in. In light of current challenges, we need to remember how vital the arts are in reigniting economic growth.”*

New Arts and Economic Recovery research, conducted in collaboration with the National Assembly of State Arts Agencies (NASAA) and Douglas Noonan of Indiana University,

<sup>2</sup> Center for Civil Society Studies. “COVID-19 JOBS UPDATE, JANUARY 2021: Nonprofit Jobs Still Down by Nearly 960,000 as of January, Time to Full Recovery Increases to 2 Years”

<http://ccss.jhu.edu/january-2021-jobs/>

<sup>3</sup> Arts & Economic Prosperity 5 – Americans for the Arts – local study commissioned by Durham Arts Council- published 2017 release [https://durhamarts.org/wp-content/uploads/2021/01/NC\\_DurhamCounty\\_AEP5\\_CustomizedReport.pdf](https://durhamarts.org/wp-content/uploads/2021/01/NC_DurhamCounty_AEP5_CustomizedReport.pdf)

**Arts Councils across North Carolina and Across the United States are Partnering with their City and County Governments to Secure American Rescue Plan Funds for Arts/Culture Sector Recovery.**

**Central NC Region Arts Councils Requests for ARP Funds from Cities/Counties:**

COUNTY	PRIMARY CITY	TOTAL ASK FROM COUNTY	TOTAL ASK FROM CITY	TOTAL ASK	TOTAL COUNTY POPULATION 2018	PER CAPITA ARP INVESTMENT ARTS/CULTURE	ARTS COUNCIL REQUESTING/ADMINISTERING FUNDS
DURHAM	DURHAM	1,500,028	1,500,028	\$ 3,000,055.00	316,739	\$ 9.47	DURHAM ARTS COUNCIL
FORSYTHE	WINSTON-SALEM	3,500,000	2,500,000	\$ 6,000,000.00	379,216	\$ 15.82	ARTS COUNCIL OF WINSTON-SALEM
GUILFORD	GREENSBORO	2,500,000	2,500,000	\$ 5,000,000.00	533,670	\$ 9.37	ARTS GREENSBORO - ARTS COUNCIL
WAKE	RALEIGH	2,800,000	3,600,000	\$ 6,400,000.00	1,091,000	TBD w/ additional cities	UNITED ARTS COUNCIL of RALEIGH/WAKE COUNTY & RALEIGH ARTS

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**THE DURHAM ASK:**

Utilizing American Rescue Plan Act of 2021 funds, Durham Arts Council respectfully asks the City of Durham and County of Durham to each to invest \$1.5 million to help restart the arts and cultural sector post-pandemic for a total of \$3 million over two years. Durham Arts Council with its funding partners (federal, state, corporate, foundation, individual) has already raised and provided over \$1.4 million in arts and cultural sector support (grants plus jobs) since the pandemic began in March 2020, and we anticipate providing at least another \$1.7 million over the coming two years. We are now asking the City and the County to support our efforts by utilizing American Rescue Plan funding as outlined in this proposal to ensure the survival of Durham’s Arts & Cultural Sector and drive economic development through creative economy initiatives.

**WE ARE REQUESTING 2.62% OF AMERICAN RESCUE PLAN FUNDING FROM CITY & COUNTY AS INVESTMENT IN DURHAM’S ARTS & CULTURAL SECTOR PANDEMIC RECOVERY & RESTART:**

AMERICAN RESCUE PLAN			
PROJECT BUDGET - ARTS & CULTURAL SECTOR	FEDERAL ARP ALLOCATION	2.624%	
CITY	\$ 51,881,733.00		
COUNTY	\$ 62,445,275.00		
TOTAL	\$ 114,327,008.00	\$	<b>3,000,055.00</b>
AMOUNT PER YEAR TOTAL	YEAR 1	YEAR 2	TOTAL
AMOUNT PER YEAR CITY	\$ 750,013.75	750,013.75	\$ 1,500,027.50
AMOUNT PER YEAR COUNTY	\$ 750,013.75	750,013.75	\$ 1,500,027.50
			\$ <b>3,000,055.00</b>

**WHY IS THIS A GOOD INVESTMENT OF AMERICAN RESCUE PLAN FUNDS?**

- \* Will help support nearly 6,000 arts/culture sector jobs in Durham.
- \* Will help support, restart, and stabilize over 75 arts and cultural nonprofits.
- \* Will help support over 1,000 individual artists through grants and contract jobs.
- \* Will help rebuild arts and cultural program/event/venue attendance: *2.8 million attendees pre- pandemic.*
- \* Arts and Culture provide social, emotional, and physical well-being benefits to our Durham residents.
- \* Multiplier spending of arts/cultural event attendees supports broader economic and tourism goals.

Per person spending excluding the cost of admission to the arts/cultural event:

Resident \$ 14.19 per event Non- Resident \$ 22.24 per event

## HOW WE PROPOSE TO UTILIZE THE AMERICAN RESCUE PLAN FUNDS

	GRAND TOTAL	YEAR	YEAR
PROJECTS	@ 2.62%	1	2
ARTS & CULTURE RESTART GRANTS - ORGANIZATIONS	\$ 1,400,000.00	\$ 700,000.00	\$ 700,000.00
ARTS & CULTURE RESTART GRANTS - ARTISTS	\$ 350,000.00	\$ 175,000.00	\$ 175,000.00
CAPACITY DEVELOPMENT & DEAI TRAINING	\$ 80,000.00	\$ 40,000.00	\$ 40,000.00
CULTURAL CAPITAL FUND	\$ 400,000.00	\$ 200,000.00	\$ 200,000.00
CULTURAL MASTER PLAN #2 - PLANNING SUPPORT	\$ 300,000.00	\$ 150,000.00	\$ 150,000.00
PUBLIC ART/CREATIVE PLACEMAKING INITIATIVES	\$ 175,000.00	\$ 87,500.00	\$ 87,500.00
ARTS & CULTURE RESTART MARKETING CAMPAIGN	\$ 130,000.00	\$ 65,000.00	\$ 65,000.00
ADMINISTRATION & STAFF SUPPORT FOR PROJECTS OVER 2 YRS	\$ 165,055.00	\$ 82,527.50	\$ 82,527.50
	<b>\$ 3,000,055.00</b>	<b>\$ 1,500,027.50</b>	<b>\$ 1,500,027.50</b>

Proposed 50/50 City/County split

### PROPOSED PROJECT PROGRAMS:

<b>1. ARTS &amp; CULTURE RESTART GRANTS – ORGANIZATIONS</b>	Grants to support arts organization recovery and restart of their programming. Special focus on providing arts access for all Durham residents and neighborhoods.	<b>Economic Driver:</b> Jobs, drawing attendees and their multiplier spending; dollars to local vendors <b>Racial Equity:</b> ensure equitable funding to BIPOC-led orgs reflective of Durham demographics
<b>2. ARTS &amp; CULTURE RESTART GRANTS – ARTISTS</b>	Artist support grants and fellowships for projects or professional development & technical support. Grants for teaching artists that serve Durham schools in arts education and arts integration programs. Partner with Hayti Heritage Center on individual artist grants.	<b>Economic Driver:</b> Retain a creative workforce, drawing attendees and their multiplier spending; dollars to local vendors <b>Racial Equity:</b> ensure equitable funding to BIPOC artists reflective of Durham demographics
<b>3. CAPACITY DEVELOPMENT &amp; DEAI TRAINING</b>	Professional services for Diversity, Equity, Access, & Inclusion training for arts & cultural orgs & artists. Professional development & capacity building; especially to support small orgs & arts entrepreneurs. Partner with NC Arts Council, and Durham Racial Equity Office.	<b>Economic Driver:</b> supports development of successful business models with diverse staff, programming, services. <b>Racial Equity:</b> ensures access to DEAI training and resources; help for small and BIPOC orgs to build business capacity
<b>4. CULTURAL CAPITAL FUND</b>	Funds (low interest loans or grants) for arts facilities that will help drive economic development and success.	<b>Economic Driver:</b> expand/improve arts & cultural facilities' ability to program & attract audience <b>Racial Equity:</b> ensure diverse funding
<b>5. CULTURAL MASTER PLAN #2 - PLANNING SUPPORT</b>	Funding for planning consultants, community engagement, project management. Partner with Durham Cultural Advisory Board.	<b>Economic Driver:</b> creates roadmap for future arts and cultural development, sector growth, attendance which drives dollars. <b>Racial Equity:</b> ensure that BIPOC organizations & artists are at the table and key to future initiatives.
<b>6. PUBLIC ART/CREATIVE PLACEMAKING INITIATIVES</b>	Grants for public art, placemaking projects of a scale that is transformative and creates economic development and arts jobs. Partner with Durham Public Art Committee.	<b>Economic Driver:</b> transforms a district and drives visitors; helps adjacent businesses; jobs <b>Racial Equity:</b> projects that support diverse vendors, arts orgs
<b>7. ARTS &amp; CULTURE RESTART</b>	Advertising, promotion of arts and	<b>Economic Driver:</b> drives economic

<b>MARKETING CAMPAIGN</b>	cultural events to help drive pandemic recovery. Focus advertising in local media, local journalism outlets aids their sector; create regional campaign. Partner with local ad agency and coordinate with Discover Durham	recovery of sector & media <b>Racial Equity:</b> ensure BIPOC led media outlets included in ad buys; market a diverse array of programming to diverse audiences.
<b>8. ADMINISTRATION &amp; STAFF SUPPORT PROJECT OVER 2 YRS</b>	1 to 2 FTE + % of other DAC staff time (depending on funding received) for project management.	<b>Economic Driver:</b> jobs, builds capacity to carry out this work. <b>Racial Equity:</b> ensure diversity in hiring



### OUTCOMES of ARP INVESTMENT IN ARTS & CULTURE

- RESTARTING ARTS & CULTURE ORGANIZATIONS, VENUES & ARTIST BUSINESSES – ENSURING RECOVERY AND SURVIVAL
- POSITIVE CULTURAL EXPERIENCES FOR DURHAM RESIDENTS
- ATTRACTING AND INCREASING TOURISM
- THRIVING CREATIVE BUSINESSES
- RETENTION OF TALENT
- POSITIVE ECONOMIC GROWTH

*A healthy arts and cultural sector is a catalyst to recovery and well-being for the entire Durham community. ARP support can help rebuild the arts and cultural sector and restore the vibrant array of arts and cultural experiences for residents and visitors to Durham.*

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### ADMINISTRATION OF FUNDS:

Durham Arts Council (DAC) is well-positioned to administer and provide regranting processes for ARP project funds. DAC has successfully operated grant and job programs for the arts and culture sector for over 40 years. DAC operates with online grant application and reporting software and recruits diverse panels of arts and cultural professionals to conduct application reviews and award processes. DAC works to ensure equitable funding to reflect the community that we serve. Currently, DAC is providing 9 grant programs to organizations and artists including recently managing a complex NC CARES grant program in partnership with the NC Arts Council and state auditor office. All grant contracts and reporting are carefully monitored with solid controls with recipients and strong internal controls coordinated with our external auditor. **Since the pandemic began in March 2020, Durham Arts Council has raised and provided over \$820,000 in direct cash grants to support 78 arts & cultural organizations & arts businesses, and 140 individual artists. Over 50% granted to BIPOC organizations and artists of color. More info: [sdevries@durhamarts.org](mailto:sdevries@durhamarts.org)**



### Community Partners and Endorsements of this proposal (support letters available):

- Greater Durham Chamber of Commerce
- Durham Cultural Advisory Board
- St. Joseph's Foundation Hayti Heritage Center
- Downtown Durham, Inc.
- Triangle Community Foundation
- Mary Duke Biddle Foundation
- Duke University – Duke Arts
- Discover Durham
- North Carolina Arts Council
- Museum of Life and Science
- Carolina Theatre of Durham
- American Dance Festival
- Full Frame Documentary Film Festival
- Scrap Exchange
- Independent Artists Group
- 75 local arts & cultural nonprofits
- Additional supporters in process