December 2, 2020

The Honorable Gavin Newsom, Governor of California
State Capitol Building
Sacramento, CA 95814

Subject: Grant Funds for Small Business, Non-profits, and Cultural Institutions

Dear Governor Newsom,

Thank you for your announcement of $500 million in urgently needed grants for California’s small businesses, nonprofits, and cultural institutions. While artists, arts organizations, and museums can and do fall into all three categories, we’d like to applaud the specific inclusion of “cultural institutions” in your recent announcement. This could not come at a more critical time and we want to assure you these funds are needed now more than ever for California’s arts, culture and creative industries.

The majority of our sector relies on events and admissions to earn revenue and since performing arts centers, theaters and venues were the first to close and will likely be the last to reopen, the ability to access relief funds is critical to the survival of California’s arts ecosystem. As your administration develops the criteria for accessing these important grant funds, we respectfully urge you to avoid any structural impediment to artists, arts and cultural organizations, venues, performing arts centers.

Here are some quick statistics to help quantify the extent of impact on our sector:

- The Arts, Entertainment & Recreation sector has seen the largest percentage of job loss (-40.3%) in California, 13% more than the Leisure & Hospitality sector. (March-August 2020, California Department of Labor)
- California’s Arts, Culture and Entertainment industry suffers from one of the highest unemployment rates with more than 450,000 jobs and an estimated $45B in accumulative economic loss. (July 2020, Brookings Institution)
- 90 percent of independent venues reported that they would shutter before the end of the calendar year without relief. (Nat’l Independent Venues Assoc., June 2020). California current casualties include Slims, SF and The Satellite in LA.
- Museums anticipate losing 35% of budgeted operating income in 2020 and 28% in 2021. (October 2020, American Alliance of Museums)
- 52% of museums have less than six months left in reserves to cover operations. (October 2020, American Alliance of Museums)
- 29% of museum directors said there is a “significant risk” of closing permanently by next fall or they “didn’t know” if they would survive. (October 2020, American Alliance of Museums)

The arts encompass it all – small business, nonprofits and cultural institutions – serving as a vital lifeline in communities across California, providing essential services for our collective mental health and survival during these unprecedented times. Given all the unique challenges faced by the small businesses, nonprofits, and cultural institutions that make up California’s arts ecosystem, we want to thank you for this much needed relief and urge you to include California’s arts sector to the fullest extent possible.

In gratitude,

Julie Baker, Executive Director
California Arts Advocates

Celeste DeWald, Executive Director
California Association of Museums
cc:
Senate President pro tem Toni Atkins
Assembly Speaker Anthony Rendon
Senator Ben Allen, Chair, Joint Committee on the Arts
Assemblymember Sharon Quirk-Silva, Chair, Assembly Arts, Entertainment, Sports, Tourism, and Internet Media
Assemblymember Luz Rivas
Assemblymember Laura Friedman
Senator-elect Monique Limon
Angie Wei, Special Advisor to the Governor
Chris Dombrowski, Acting Director, GO-Biz
Isabel Guzman, Director, of the Office of Small Business Advocate, GO-Biz
Anne Bown-Crawford, Executive Director, California Arts Council
Nashormeh Lindo, Chair, California Arts Council
Jaime Galli, Vice Chair, California Arts Council