

SOUTHEASTERN CONNECTICUT CULTURAL COALITION

P.O. Box 95, New London, CT 06320 | (860) 448-5135 | info@CultureSECT.org | www.CultureSECT.org

Dear Municipal Leader,

March 25, 2021

Arts and culture have served your community before and during the pandemic and are an asset for cities and towns seeking a pathway out of economic, social and community crisis.

As the pandemic begins to subside, think about what your town will look like for the next 6 to 12 months, and the next 2 to 3 years? What would your town look like without the creative sector? Without festivals or live music, without events bringing visitors to restaurants, lodging and shopping, or without the community gathering to be entertained and connect?

Arts and culture can be a major tool in your town's and our region's recovery from the pandemic and even help accelerate that recovery. The arts are economic multipliers and catalysts - small investments that bring big returns. Beyond the economic impact, the arts bring us together, are healing, and fuel mental health and wellness.

THE OPPORTUNITY

According to the Office of Congressman Joe Courtney CT-2, eastern CT is estimated to receive about \$250 million in local aid from the American Rescue Plan (ARP) —

- **\$109 million** in baseline non-county aid to towns and cities
- Roughly **\$142 million** in county funding

Eligible uses for the ARP's state and local aid include response:

- **to the Covid-19 emergency to address its economic effects, including through aid to households, small businesses, nonprofits, and industries such as tourism and hospitality.**

The Cultural Coalition is recommending that municipalities demonstrate the creative sector's impact on the local and regional economy and the role that it will play in leading the economic recovery. The need is great, but the risk of further and permanently damaging the sector is greater.

The Cultural Coalition is recommending that every municipality in eastern CT - the 43 towns we serve as the Designated Regional Service Organization for the CT Office of the Arts/Department of Economic & Community Development - dedicate at least 1% of their total ARP aid to local arts and culture. With your town's support, together, our region can collectively invest \$1.42 million in the arts and culture ecosystem, rebuild together and have a robust recovery.

Southeast CT Towns Served (since 2014): Bozrah | Colchester | East Lyme | Franklin | Griswold | Groton | Lebanon | Ledyard | Lisbon | Lyme | Montville | New London | North Stonington | Norwich | Old Lyme | Preston | Salem | Sprague | Stonington | Voluntown | Waterford

Northeast CT Towns Served (as of 2021): Ashford | Brooklyn | Canterbury | Chaplin | Columbia | Coventry | Eastford | Hampton | Killingly | Mansfield | Plainfield | Pomfret | Putnam | Scotland | Stafford | Sterling | Thompson | Union | Willimantic | Willington | Windham | Woodstock

THE NEED

The arts and culture sector is struggling to survive and the workforce has been significantly diminished. Quick action is needed to protect these community-based assets and economic multipliers so they can help lead the recovery of towns and cities like yours. When arts and cultural centers are closed, the businesses surrounding them remain empty, foot traffic remains sparse, and neighborhoods lose their vitality.

Our mission is to improve the economy, vitality and quality of life in Southeastern Connecticut by supporting the arts, cultural and creative community.

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According to the Americans for the Arts' "Red Alert: COVID-19 and the Creative Economy in Connecticut" (attached), COVID-19 has devastated CT's creative economy:

- **\$2.4 billion in lost revenue for creative economy businesses in CT in 2020**
- **61% CT creative businesses severely impacted**
- **56% unemployed creative workers in CT**

From the [Office of Legislative Research - Impact of COVID-19 on the State's Leisure and Hospitality Industry](#) (Feb 22, 2021) - The leisure and hospitality supersector consists of the (1) arts, entertainment, and recreation sector, and (2) accommodation and food services sector.

- **Year-over-year employment** in the leisure and hospitality industry, which includes arts and culture, **decreased to a level not seen over the last three decades**
- Leisure and hospitality major impacts:
 - **Steep increase in claims for unemployment benefits**
 - **Decrease in sales and use tax collection**
 - **Decrease in room occupancy tax**, which is the sole source of revenue to the Tourism Fund, the State of CT's mechanism to fund arts, culture and tourism
- **Initial claims for unemployment benefits** (2019 to 2020 comparison)
 - Claims went from 13,177 in 2019 to 90,845 in 2020 in the leisure and hospitality industry
 - 437% increase across all industries
 - **468% increase in arts, entertainment and recreation sector's annual initial claims**
 - 589% increase in unemployment claims in leisure and hospitality industry
- According to the DRS, state revenue from the sales and use tax on the arts, entertainment, and recreation and accommodation and food services sectors declined by approximately \$19.8 million between FY 19 and FY 20.
- Room Occupancy Tax - Over the first seven complete months FY 21 (i.e., July through January), room occupancy tax collections declined over 49% (nearly \$34.4 million) compared to the same period during FY20. *Note: the Room Occupancy Tax is CT's mechanism for funding arts, culture and tourism through the Tourism Fund.

THE IMPACT

Help bring jobs back. Help bring people back to your town. Help arts and cultural organizations recover, reopen and revive. Help your town and our region recover. Help your community heal. Help make events free or more affordable to people who are hurting, lost jobs, and don't have disposable income.

Consumer research by Eventbrite shows that among millennials, for example, 78% prefer to spend their money on live experiences and cultural events rather than material possessions.

Post-pandemic demand for the arts is expected to be high, which is good news for both the arts and local businesses. - [Sparking Economic Recovery Through the Arts](#)

Suggested ways municipalities can deploy aid efficiently and easily to help with economic recovery:

- **Provide aid to arts organizations to help market events or invest in marketing of the arts and cultural assets and events in your town.** Organizations are strapped for cash right now and marketing or re-marketing events is going to be challenging, especially given consumer confidence
- **Hire artists (graphic designers, photographers, muralists, etc.) to help with covid-related public health** messaging around vaccine hesitancy and continued mask wearing for those vaccinated

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- **Hire musicians, theater troupes, etc. for performances in downtown areas, public parks, festivals, outdoor areas** to help bring people back to your town
- **Provide matching grant dollars** when and where possible (accelerate collaborative opportunities - hotels, B&B's, restaurants and arts packages)
- **Create public art in revitalization, transportation, beautification, streetscape, etc. projects** to hire artists, beautify cities/towns, integrate relevant message (post covid, social/racial justice)
- **Invest in the formation of Cultural Districts** - formation, establishment and promotion
- **Provide grants to established arts and cultural organizations** that serve the broad community (locals and visitors) to invest in labor and infrastructure necessary for safe reopening, or to create reduced or free admission events
- **Provide grants to BIPOC (Black, Indigenous, People of Color) arts and cultural organizations or arts programs** that have historically been disenfranchised and underrepresented in your community
- **Invest in long-term recovery** through a 3 year \$10k a year (total investment \$30k for an individual municipality) for CT Office of the Arts & [AIR Institute](#) partnership for the state of CT

If your town/city is not able or does not have the capacity to manage providing direct aid support, you can allocate the funds to the Cultural Coalition and we will invest the dollars into arts and culture in your town.

Town by town and together, our region will reopen, and arts and culture will accelerate our recovery.

Please let me know if your town will commit to dedicating 1% of your ARP municipal aid to local arts & culture. That's only one penny of every dollar. We will be making public the towns who agree to do so and also track the investments made, so we can help demonstrate the return on that investment.

Thank you for all that you have done for your town and our region during the pandemic. Together, we will once again thrive!

Sincerely,



Wendy Bury
Executive Director

NOTE: The Cultural Coalition has adopted and supports READI from the CT Office of the Arts - Relevance, Equity, Access, Diversity and Inclusion - to guide programmatic and investment decisions within the framework of artistic excellence. We encourage municipalities to utilize the same lens. Learn more here: https://portal.ct.gov/DECD/Content/Arts-and-Culture/About_Arts_Office/READI

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