

Mayor's Office of Cultural Affairs

CARES ACT

Program for Arts and Culture

REPORT ON SUBMISSIONS
AND DISTRIBUTION OF
CARES FUNDING





Overview

The following document outlines a summary of data collected from the Houston Mayor's Office of Cultural Affairs (MOCA) CARES Act Program for Arts and Culture applicant pool, as well as a listing of all recipients of the relief fund. In total, 226 micro-businesses and 121 nonprofits businesses will receive \$2,000,000 in CARES relief grants.

The COVID-19 crisis has wreaked drastic effects on the creative economy, which comprises of a variety of industries and creative occupations, including those who work in the arts and cultural sector. The Disaster Services division of the Houston Arts Alliance has <u>executed ongoing assessments</u> of damage, loss, and need in the arts community.

Perhaps COVID-19's greatest impact has been on the sector's inability to host public gatherings, which has resulted in large losses of earned income due to canceled performances, exhibitions, art work sales and gig work for creative workers. The COVID-19 crisis has resulted in devastating loss and has deeply impacted a vital part of our culture, well-being and quality of life. The City of Houston is vibrant because of its diversity of artists, arts nonprofits, and cultural centers rooted in deep traditions.

Despite numerous obstacles, the sector has rallied and provided arts and cultural entertainment to a local and global audience through digital channels. Houston's Cultural Events Calendar boasts ongoing digitized and socially distanced publicly accessible programming. Providing the safest options for us to all 'gather', share cultures, and process the stresses of the pandemic. The sector has pivoted quickly and effectively to offer digital, interactive programs, while absorbing terrible personal and organizational losses with uncertainty.

Among other support to the community, the Mayor's Office of Cultural Affairs (MOCA) has taken important steps to support the local arts and cultural sector with assistance through the CARES Act Program for Arts and Culture. The Mayor and City Council approved \$2 million in relief funding from the City's Coronavirus Aid, Relief, and Economic Security Act, also known as CARES Act for all disciplines, both individuals and nonprofits.

MOCA engaged Houston Arts Alliance (HAA) to distribute the CARES Act Program for Arts and Culture, adhere to legal requirements, and structure needs assessment and demand.

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Overview

HAA facilitated two rounds of relief funding which launched on August 24, 2020 and concluded on November 13, 2020. During these months, HAA launched two application cycles, verified eligibility, made funding recommendations which were reviewed with the Mayor's Office of Cultural Affairs, and distributed funding to 347 unique relief recipients.

For both application rounds, HAA invited 1,200 creative businesses to apply for funding through a simplified application. The application structure was concise and efficient. It simultaneously adhered to federal legal requirements written into the CARES ACT and assessed applicant needs.

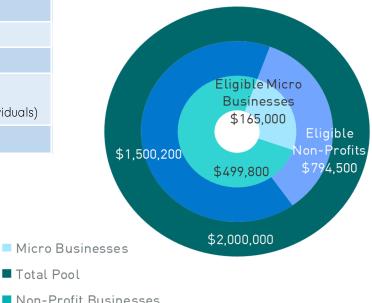
Individuals were eligible for grants up to \$1,800. Nonprofit organizations were eligible for grants up to \$15,000. In Round 2, HAA increased maximum award amounts as well as the number of months for considered losses to reflect the high rates of reported losses from Round 1. These changes took into account the worsening pandemic and the damages it accrues every month.

These relief funds are an integral part of the ongoing business continuity support and recovery efforts for the arts and cultural sector. These funds will indubitably assist in maintaining the cultural vibrancy of the City of Houston.

CARES Highlights

Round 1	Round 2
333 Total Applicants	339 Total Applicants
269 Eligible Applicants	305 Eligible Applicants
104 Nonprofit Businesses	83 Nonprofit Businesses
165 Micro-Business (Individuals)	186 Micro-Business (Individuals)
\$959,500 distributed	\$1,040,500 distributed

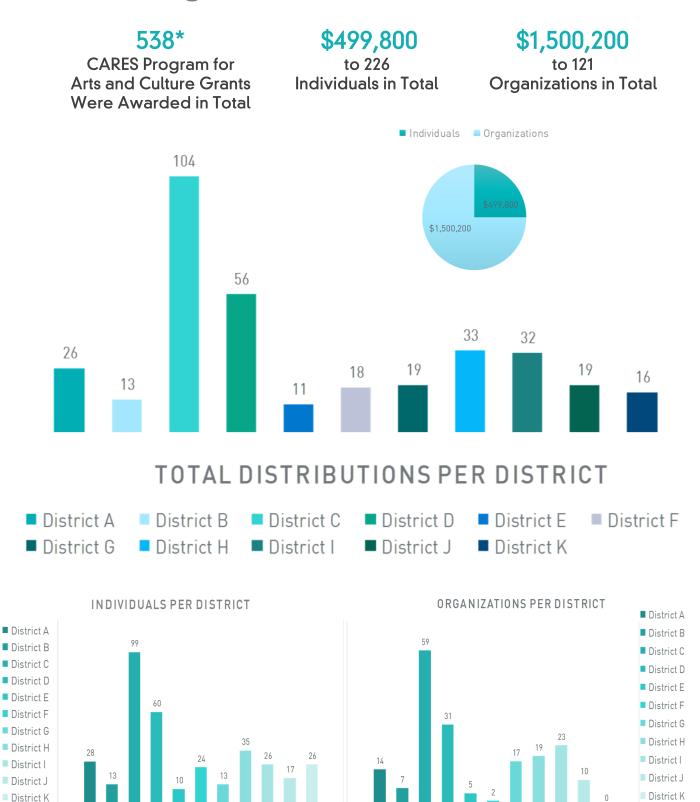
CARES Act Funding Distributions Applicants vs. Eligible



■ Total Pool



Funding Distributions



The above chart represents individual CARES Relief grants by Council District.

The above chart represents organizations which are CARES Relief grants by Council District.

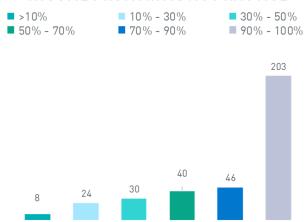
^{*}A total of 538 combined grants were awarded for both CARES grant rounds. Some applicants applied and were recipients in both rounds.



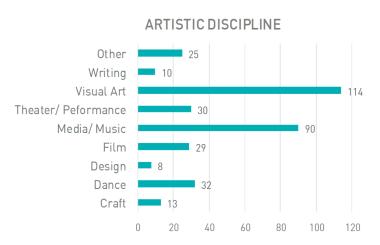
Micro-Businesses (Individuals)

\$499,800 Was Distributed To 226 Micro-Businesses

INCOME FROM ARTISTIC PRACTICE



The majority of our applicant pool reported that 90% - 100% of their income is derived from their artistic practice. These funds are critical to the artists' ability to sustain their work and livelihoods during the pandemic. Many have become fully unemployed and/or delayed in returning to work due to the loss of gigs, commissions, exhibitions, etc.

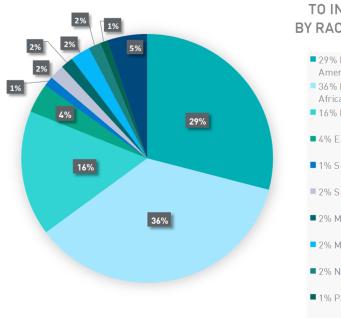


Houston's artists and creative represent a wide range of artistic expression in the arts and cultural sector. Artists/Creatives are among the most severely affected workers by the COVID-19 crisis.

In recent years, HAA has expanded the diversity of the applicant pool, by strategic grass roots outreach and marketing initiatives.

Those efforts have ensured that these very important relief resources are reaching a diversity of arts and cultural creatives.

HAA's internal equity improvements will continue to continue to expand the diversity of its clientele in line with the diversity of the City of Houston.



DISTRIBUTIONS TO INDIVIDUALS BY RACE/ ETHNICITY

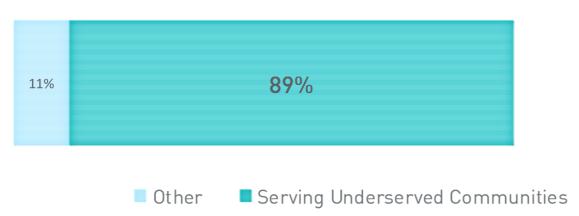
29% Non Hispanic White or Euro American
36% Black, Afro-Caribbean, African-American
16% Latinx, Hispanic
4% East Asian
1% Southeast Asian
2% South Asian, Indian
2% Middle Eastern Arabic
2% Multi-Ethnic or Multi-Racial
2% Native American
1% Pacific Islander
5% Prefer not to Answer

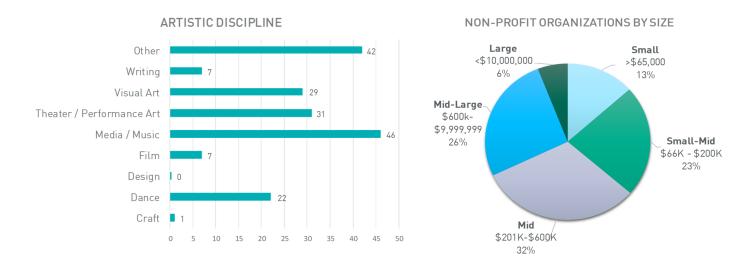


Nonprofit Businesses (Organizations)

\$1,500,200 Was Distributed To 187 Nonprofit Businesses

89% of Nonprofit Business Reported Initiatives That Specifically Serve Underserved Communities





Houston is home to a range of differently sized organizations which are an integral part of a healthy ecosystem. They provide significant opportunities for local arts employment and provide a significant boost to the local economy. The arts are a \$1.1B economic engine in the region. Organizations of all sizes were recipients of CARES grants.

Almost 30% of our recipient pool (those organizations with the smallest operating budgets of less than \$200K) are receiving 16% of the funds allocated to organizations. The most immediate need they reported was full or partial salary support. Nonprofits who serve underserved communities, are defined as those who serve BIPOC communities as their main constituency group.



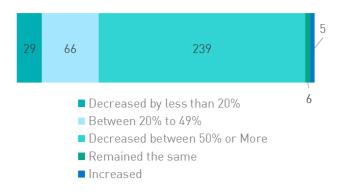
Needs Assessment

\$94.7M in lost income was reported by 574 applicants during the period of March 1, 2020 - December 31, 2020

Micro-Businesses

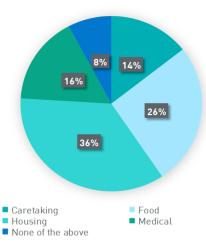
Individuals reported an average loss of \$10,791 during the recorded period, reflecting a total loss of \$3,703,679

% OF LOSS IN RECORDED PERIOD



Artists are unable to access the supplies, resources, spaces, or people necessary for their work. Nationally, artists have experienced an 79% amount decrease in work that generated income. (Source)

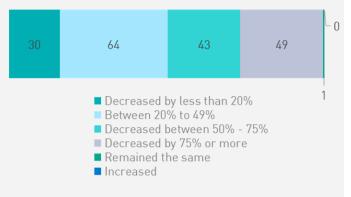
IMMEDIATE FINANCIAL NEEDS



Nonprofit Businesses

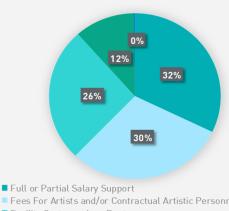
Organizations reported an average loss of \$829,876 during the recorded period, reflecting a total loss of \$91,046,531

% OF LOSS IN RECORDED PERIOD



COVID-19 continues its stronghold on the nations arts sector causing many "temporary closings" and massive layoffs and for some, permanent closures. Over 70% of our applicant pool reported funding would be used to retain full and part-time staff. The most critical need to ensure economic viability for the region,

IMMEDIATE FINANANCIAL NEEDS



- Fees For Artists and/or Contractual Artistic Personnel
- Facility Costs, such as Rent
- Equipment For Business Continuity
- None of the above