

TESTIMONY TO CITY COUNCIL ON COMMITTEE ON GENERAL WELFARE (JOINTLY WITH THE COMMITTEE ON CIVIL AND HUMAN RIGHTS)

Tuesday, September 15, 2020

Testimony to City Council on Committee on General Welfare (Jointly with the Committee on Civil and Human Rights)

By Dance/NYC

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Prepared by Dance/NYC

On behalf of Dance/NYC, a service organization which serves over 5,000 individual dance artists, 1,200 dance-making entities, and 500 nonprofit dance companies based in the New York City area, including BIPOC (Black, Indigenous, People of Color) dance workers, immigrants, and disabled dance workers. I join colleague advocates working across creative disciplines in thanking the Committee for your leadership during this time and in requesting:

1. The City to include the Arts and Culture communities in rent relief legislation (e.g. subsidized housing, cancel rent, rent relief subsidies) to protect our organizations and workers.
2. The City provides financial relief for organizations and artists being affected by the affordability crisis and without business interruption insurance.
3. The City pays living wages and funds programs that allow for the payment of living wages for dance and cultural workers.

Dance is central to NYC's cultural soul and performances are a key part of the City's tourism appeal. For example, the holiday season is a critical time for tourism with many dance performances being time honored NYC holiday traditions, drawing families and tourism spending from near and far. NYC cannot afford to lose these cultural organizations that have existed for decades as a part of the arts and culture ecosystem; and rent relief legislation is critical for these organizations to keep their doors open. We have collected quantitative and qualitative anecdotal data from individual freelance workers, organizations and small businesses (e.g., dance studios). They have all mentioned the pressing need for rent relief, both commercial and individual. The risk is highest for smaller for-profit family owned dance studios which together with arts education instruction provided via the Department of Education are a critical part of the dance ecosystem. Without our local dance studios, we risk losing a key developmental aspect of the industry that helps to create many of the artists we see on our Broadway stages.

Dance and the arts are significant contributors to the economic health of NYC, contributing over \$300 million to the NYC economy. However, in order to maintain social distancing and public health guidelines many live performances, rehearsals and projects have been canceled impacting the Arts and Culture sector's ability to generate enough income to meet the increasingly high rent demands in the City. Furthermore, many studios and spaces that are starting to reopen as outlined in the governor's reopening procedures are being closed or fined due to poor information provided by City officials who do not understand our industry putting these groups in further risk. Small businesses, arts and culture and artists are critical in bringing the city back.

Dance/NYC is conducting comprehensive research on the impact COVID-19 is having on the dance sector, particularly its impact on organizations. Arts organizations have received no rent relief subsidy or stimulus for them to stay alive and are closing due to insurmountable rent prices, inability to pay their workers, and inability to earn income from in-person gatherings. Although the Payment Protection Program (PPP), EIDL and other government loans were provided at the start of the pandemic, this money is quickly running out. Our research has shown that a driving force behind these closures is the inability to pay rent. For example, one respondent's plight shared "[I am...] attempting to minimize my bills and debts along with rent, but unfortunately am still required to pay rent from my management company. I am accruing more credit card interest due to loss of income and inability to pay my bill at this time until my unemployment and additional funding resources come in." This field, its workers, and organizations were already struggling to pay living wages due to limited access to general support grants and little access to unionization and are floundering due to the COVID-19 pandemic. This could be alleviated if the City pays living wages to its dance workers and ensures that City funded programs pay living wages to any arts worker it contracts. Failure to do so will further exacerbate the migration pattern of our artists leaving the City. Our data highlights the trend of the arts workforce leaving the City because they are experiencing overwhelming difficulties in paying their rent. One respondent noted "I had employment starting in March that was going to take me all the way through till December 29 of this year. All of that has canceled due to the virus. I'm very very afraid about paying rent each month." This a culture drain that is occurring due to the unprecedented weight of rent, and no real relief, together with the affordability crisis of extremely high rents. Dance/NYC has already provided nearly \$1 million in relief support to individual freelance dance workers and organizations but this only alleviates the short term needs and comprehensive rent relief legislation is desperately needed to ensure long term survival.

For example, SMU DataArts recently estimated an aggregate -\$6.8 billion net effect of the COVID-19 crisis on the nonprofit arts and culture sector equates to a deficit equivalent to 26% of expenses for the average organization, over the course of a year. Smaller organizations, groups and projects are likely to sustain significant negative financial impact, projecting losses that amount to up to 82% of their operating budgets which is affecting their sustainability and ability to meet high rent demands. Only 8% of organizations reported having business interruption coverage and even those who have it are having a hard time collecting on it. Our research has identified that one of the most critical needs for these organizations is rent relief. For example, one organization shared "we will not be able to pay our rent, staff, artists or bills and -- without financial help or some kind of intervention -- we will be forced to close." When these organizations permanently close it will affect the NYC economy and its cultural and social landscape. Many of these organizations have been at the forefront of NYC cultural life for decades, without comprehensive rent relief legislation we risk losing them forever. Furthermore, we stand with our arts and non-profit colleagues in requesting rent relief for individual artists. With an average annual income of \$32,886, near the poverty line, individual dance workers suggest they will lose at least 18% of their annual income due to the COVID-19 pandemic. Individual dance workers reported a cumulative loss of at least \$4.2M in income related to 28,705+ cancelled engagements. Dance workers are the least unionized of the performing arts in NYC and receive the lowest wages of arts workers. The social and economic impact of the ongoing pandemic continues to build, with a delayed return to in-person performances even after a vaccine. The pandemic has disproportionately affected dance workers who identify as disabled, BIPOC, and genderqueer/nonbinary as well as older dance workers, and immigrant dance workers. We need to have important conversations about how paying rent will be supported, or else we're going to have to pay a lot of money to bring our artists back

later, if we don't take care of the artists we have now.

The exodus of the arts workforce poses a direct and pervasive threat to the survival of the Arts and Culture communities in the City. Locally, rent relief legislation is needed to ensure our City's arts and cultural institutions survive so they can remain the bloodline of NYC and help with the economic recovery. Dance/NYC strongly advocates for a vision rooted in inclusivity, equity, and sustainability for the arts and culture industry. Artists are necessary workers and in order to continue to be a driving part of the NYC workforce, comprehensive rent relief legislation is needed to ensure that they can continue to live and thrive as members of our City.

For Dance/NYC and its constituents, the most urgent priorities are:

1. Rent relief for individual freelance dance workers, fiscally sponsored artists, and dance organizations who are most severely impacted by the ongoing COVID-19 pandemic and recession.
2. Create structures that focus on creating affordable housing to address the affordability of housing crisis that New Yorkers are facing and to root this in justice, equity and inclusion of all New Yorkers. Create structures that allow for subsidized housing for artists and those who are BIPOC, genderqueer/nonbinary, and immigrants who are disproportionately affected by the affordability crisis and increased rent demands brought on by the COVID-19 pandemic.
3. Although we are appreciative of the Emergency Rent Relief Act, one time assistance programs are not the answer. We call for long term rent relief in order for our cultural and arts institutions to weather the pandemic.

We applaud New York's city efforts to curb the pandemic but in order to continue properly social distancing and public health guidelines, people require housing. We stand in solidarity with our arts and nonprofit colleagues in demanding rent relief legislation. With proper legislation and support we can navigate both the COVID-19 pandemic and affordability of housing crisis and ensure the survival of the arts and cultural sector of NYC. We thank the City Council members for their time and efforts in ensuring affordable housing and rent for all New Yorkers.

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