



Public Testimony
FY24 Budget Appropriation
April 13, 2023

Good afternoon, Council Members.

I'm Suzan Jenkins, your partner and CEO of the Arts and Humanities Council, an NDA and our County's designated local arts agency. I want to thank the County Executive and the County Council for their past support of our agency and especially as the pandemic wreaked havoc on our sector.

I am here today asking for \$1.1M for regranting over the County Executive's proposal and \$3.6M in ARPA funds to complete our 3-year request from 2020.

We understand the challenges you face as you consider our FY24 budget priorities. I listened to the legislative briefing this week and as an agency that does the work of the government for our residents, I am particularly proud of our alignment with several of the county's priorities including economic recovery, combatting climate change and affordable housing as seen through an equity lens.

We particularly appreciate Council President Glass' recent statement in his Approach to FY24 Operating Budget Proposal to Council Members that "Supporting our residents is [y]our top priority" and that you must keep our residents in mind throughout this process. That is why I am coming to you today, asking for an increase in support for our residents.

As the first to close and the last to open, the pandemic wreaked havoc on the arts and humanities sector, creating destabilizing conditions that continue to threaten long-term financial stability. And, as noted in your FY24 Operating Budget Highlights and Approach Briefing on Tuesday, global economic conditions and forecasts continue to show uncertainty and the potential for an economic contraction.

The distribution of public funding, providing financial and technical assistance for arts/humanities organizations and artists/scholars seeking to rapidly adapt to an ongoing pandemic, has helped support a financially depleted sector and for that we have been deeply grateful.

The County Council's critical understanding of the deep impact of the pandemic, and funds from county government has provided an important lifeline that has helped sustain arts and humanities organizations and individual artists and scholars throughout the pandemic. That understanding resulted in a positive response to our 2020 request for \$10M in ARPA funds to be given over a three-year period and to date, the County Council has funded over \$6.3M of this request.

Today we ask for:

- **\$1.1M for regranting above the County Executive's proposal**
- **\$3.6M in ARPA Funds from our 2020 request**



Public Testimony
FY24 Budget Appropriation
April 13, 2023

While most nonprofit arts and humanities organizations have re-opened for public, in-person programming, the public's comfort level regarding in-person gatherings continues to be in-flux, and seasonal (i.e., plenty of arts patrons feel more comfortable attending large public gatherings outside during the summer, but refrain from attending in-person, indoor gatherings in the winter when the rates of respiratory illnesses increase.) The public's unease regarding large, in-person gatherings exacerbated financial losses throughout 2022 and into this first quarter of 2023.

*"For most classical and theatrical institutions and shows, attendance is down, ticket prices are depressed, productions are fewer, and memberships or subscriptions have fallen. The initial post-shutdown optimism — bolstered by pent-up demand — was tempered by wave after wave of new virus variants that raised health concerns and led to numerous performer absences and performance cancellations." ([Live Performance Is Back. But Audiences Have Been Slow to Return](#). By Michael Paulson and Javier C. Hernández, *New York Times*.)*

We know that rebuilding and renewing an economy that will provide opportunity and prosperity for all is a colossal challenge, one that will require our policymakers and community leaders to leave no stone unturned in their search for viable solutions.

I come to you today not to simply ask for your financial support and collaboration, but to offer solutions.

In 2020, the county's overall investment of \$9.2M generated over \$198M from the local cultural industry, contributing to local and state revenue, and supporting over 4,000 jobs.

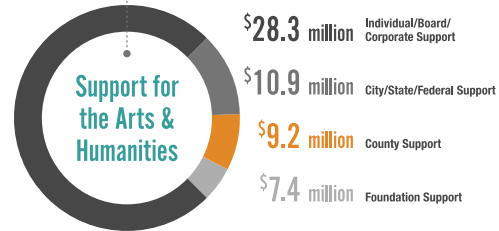
Public Testimony
FY24 Budget Appropriation
April 13, 2023

Impact

The Arts & Humanities Sector in Montgomery County:



Investment



Invest in us now.

We ask today for your support of a comprehensive growth strategy that recognizes arts and culture as essential components of overall economic renewal for the region and are central to our aspirations for economic stability and growth. Our sector supports small business and entrepreneurs like carpenters, electricians, masons, instrument repair technicians, and tailors.

I ask today that you consider this fact: Creative economic development strengthens overall economic development. A focus on the creative economy has a place within comprehensive economic development strategies, both as an industry sector and as a catalyst influencing other sectors. Regions, industries, and job growth—units of analysis often used in the economic development sphere—are equally applicable to creative activities. Why else would we be building a Cultural Arts Center in Wheaton if we weren't considering a catalyst for community, creative and economic growth?

Those who work in arts and cultural spaces deeply understand economic and community development imperatives and the potential of their work to grow their communities. Arts leaders are active co-architects of destination tourism, community revitalization, talent attraction, economic diversification, livability, and regional economic development strategy broadly. That is why investing in creatives is the gift that keeps on giving!



Public Testimony
FY24 Budget Appropriation
April 13, 2023

Invest in us now.

Rural and heartland communities thrive through the arts and culture. And we have seen burgeoning growth in the Ag Reserve that shows the potential for what is to come. Metropolitan and coastal areas are not the only reservoirs of creative talent. Communities of any size have homegrown cultural assets that can be mobilized for economic good.

Our work in advancing racial equity through our work and throughout the county is well documented through our grantmaking and via the Public Arts Trust and we have been commended by the County for that work. Our work with MNCPPC on the Design, Arts and Culture section of Thrive 2050 with a focus on the potential for the design of communities will help build social trust and inclusion while encouraging civic participation and participation in the planning process.

Each community has a creative ecosystem that offers unique economic opportunities. Beneficial economic activity comes from arts subsectors as varied as film, music, the visual arts, artisan manufacturing and more. Your sustained investment helps us focus on the distinctive history, people, cultures, and attributes of local communities that can yield civic benefits as well as economic advantages.

Invest in us now.

Many regional creative economies have been incredibly resilient in the face of past economic turbulence. This suggests that communities that make the arts and culture part of their economic fundamentals may be better equipped to survive current and future economic crises.

Achieving success often comes from a combination of public and private efforts. The communities we serve are realizing positive economic outcomes through a varied mixture of public policies and government programs—just as we’ve seen in Wheaton—combined with leadership from for-profit businesses, philanthropists, individual artists, and nonprofit cultural organizations. Both public and private partnership endeavors can yield transformative results.

Montgomery County’s creative economy is poised to help engineer economic resurgence as we move through the pandemic and focus on supporting the county’s economic legislative priorities.

Invest in us now.

The County Executive proposed an flat budget for our sector, yet our agency’s budget request aligns with the county’s priorities and is an economic driver. Now is not the time to be penny-wise and pound foolish.



Public Testimony
FY24 Budget Appropriation
April 13, 2023

Invest in us now.

With the uncertainty of the pandemic looming, ARPA funds attracted and supported many that had not applied for support previously. ARPA funds paid for food and rent for some, while also helping organizations, artists and scholars address the cost of reopening including adopting innovative technology upgrades, enhanced safety measures, shifting to contactless and digital ticketing, making physical modifications to indoor spaces to allow for more social distancing (i.e., reconfiguring seating to align with social distancing requirements), shifting to increase the number of outdoor performances when the weather permits, investing in new, upgraded air filtration systems, installing plexiglass dividers, installing hand sanitizer stations and deploying electronic spraying systems to sanitize spaces between performances.

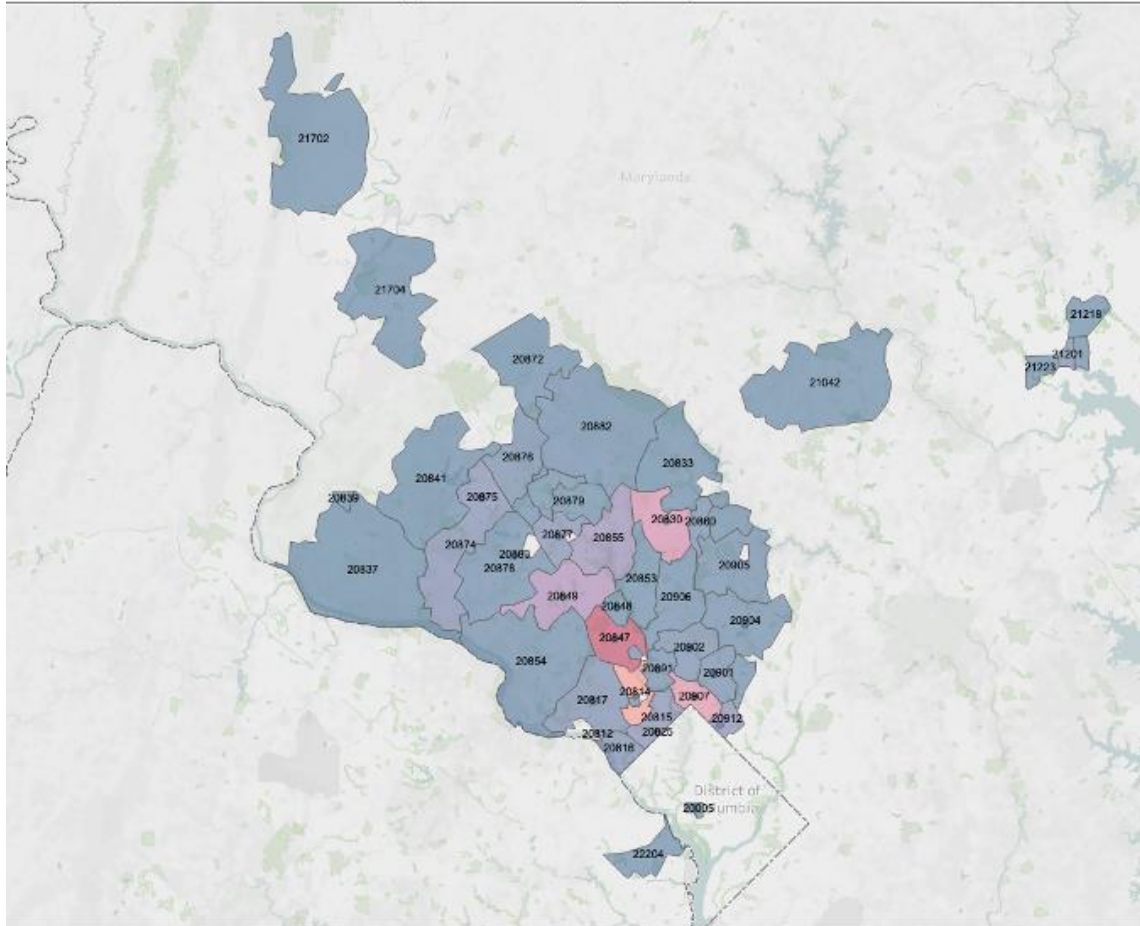
If the County were to fund the FY24 budget flat over FY23, funding will fall significantly short of need and will not equitably sustain an arts and humanities sector that we attracted with ARPA funds and continues to be adversely impacted by the on-going pandemic, an unpredictable economy, inflation, and the possibility of another recession.

“As arts funders navigate what is to come in 2022 and beyond, the need for government as a purveyor of support to cultural institutions, communities and artists — along with a robust private sector — is more apparent than ever.” ([2022 Arts Funding Snapshot: Grantmakers in the Art’s Annual Research on Support for Arts and Culture](#))

Below you can see a map of the Geographic Distribution of funds by zip code for the last two decades. The pandemic made the disparity between what we have funded, and new areas of growth for the county specifically apparent.

Public Testimony
FY24 Budget Appropriation
April 13, 2023

Geographic distribution of total grant awards by zipcode, 2003-2022



Color shows sum of total awards made between 2003 and 2022. Red indicates larger amounts, dark blue indicates smaller amounts.

In FY23, combined with the cost of inflation, AHCMC saw a 4% jump in eligible applications over FY22. Most of the growth occurred in categories that represent individual artists and scholars and small organizations and groups in traditionally under resourced communities throughout the county.



Public Testimony
 FY24 Budget Appropriation
 April 13, 2023

Should AHCMC receive flat funding with increased demand, more applicants will have to be declined, and a higher number of grantees will receive increasingly smaller grants. The demand comes from small organizations, capacity building across the sector, and individual arts and humanities practitioners; many of whom live and work in the crown of Montgomery County or identify as part of a traditionally marginalized and under-invested community.

Grant Category:	FY24 Anticipated Increase in Demand over FY23 Allocation:
General Operating Support II (GOS II) <i>Nonprofit Cultural Organization with Budgets > \$500,000</i>	Flat over FY23
General Operating Support I (GOS I) <i>Nonprofit Cultural Organization with Budgets < \$500,000</i>	\$481,786
Advancement Grants (AG) <i>Planning, Capacity Building, & Capital Grants to Organizations</i>	\$363,197
Program & Capacity Building Project Grants (PCBPG) <i>Small Organizations & Groups Not Receiving Operating Funds</i>	\$136,092
Artists & Scholars Grants (ASG)	\$70,578
Artist Residencies in Schools Grants (ARSG)	\$16,450
Wheaton Cultural Projects Grants (WCG)	\$18,987
Total:	\$1,087,090

Councilmembers, help us help you rebuild. **The arts and creative industries offer a powerful source of light as we aim to reignite economic growth.** Your sustained investment helps us focus on the distinctive history, people, cultures, and attributes of Montgomery County’s communities that can yield impactful civic benefits as well as economic advantages.

Thank you in advance for your continued support. **Invest in us now so that we can help Montgomery County recover.**

Sincerely,

Suzan Jenkins