

October 15, 2020

Executive Director Sereke-Brhan
DC Commission on the Arts and Humanities
200 I St SE #1400
Washington DC 20003

Re: Listen Local First DC October Commission Meeting Testimony Regarding Use of Capital Project Funds to Save DC Music Venues

Dear Director Sereke-Brhan and DCCA Commission members,

On behalf of Listen Local First DC and our music community stakeholders, I would like to ask the Commission to postpone the Facilities and Buildings grant application that opened Friday October 9th, in order to consider the entirety of the capital projects funds to be utilized for mortgage, lease and overhead cost support during COVID.

As you all know the arts and music community have been decimated by COVID-19 and the end of the economic struggles is not yet in sight. The music community alone has lost five venues in the last seven months due to COVID. Four of the closed venues were small clubs that regularly hosted jazz and soul performances and supported DC's legacy as a black music capital.

We don't want to see any more performance spaces close due to this disease, and we are urging the city at all levels to do everything they can to prioritize the survival of our music and art presenters. It is for these specific reasons that we urge the Commission to consider making the entirety of the capital projects allocation available for COVID overhead relief rather than funding institutional improvements, repairs, construction and new acquisitions at this time.

A couple weeks back, the Council voted for the "Arts and Humanities Capital Funding Emergency Amendment Act of 2020" allowing for the capital projects support funding to be used for lease and mortgage expenses. I have spoken with many members of the arts community who believe that reserving this funding exclusively for rent and mortgage assistance will give our arts ecosystem the best chance for survival.

We urge the Commission to help us and act quickly to save such an important part of the arts community. We applaud the Commission for some of their innovative measures taken over the past year including allocating funding for Go Go, additional east of the river grants, and increasing the pot of money available for individual grants during COVID when artists needed the assistance the most. Helping to save our music venues would be an incredible next step.

Small venues are hurting the most.

A healthy venue ecosystem has a vibrant venue ladder, with the largest number of venues being small rooms and then as the venues increase in size, you have fewer and fewer at the

larger capacity levels. For whatever reason, either because of a lack of investors, or the more mom and pop nature of the spaces, small venues are the ones that are in the greatest danger of closing right now.

Our [Music Venue Relief Legislation](#) has created a plan to provide assistance to venues based on venue square footage to cover overhead costs like rent, insurance, permit fees, utilities etc. This legislation caps monthly overhead assistance at \$15,000 based on a square footage multiplier that is also proportionate to rent costs.

For-Profit venues are the art presenters that have been hurt the most by COVID-19.

For profit venues of all sizes are the ones in the greatest danger of extinction right now. These venues do not receive grants from the NEA or other foundation funding to support their work, they also generally do not rely on private donor lists to sustain their livelihood. These spaces get all of their revenue from patronage and ticket sales. These venues are all phase four venues and they will remain closed for months to come.

The right thing to do is fund survival over renovation.

We understand that the Commission has been giving out these capital improvement grants for years and that institutions rely on them to grow their business. Desperate times call for desperate measures and we are begging the Commission to change course this one time and prioritize funding the survival of music venues over funding improvements. I am sure that the organizations that are looking for funding for improvements can potentially delay those improvements for a year.

The Commission has the authority to redirect these funds towards for profit entities

It is our understanding that there is nothing legally precluding (under §39-204 of the Code of the District of Columbia) the use of these funds to be granted to for profit institutions especially on a one time emergency basis. The capital projects funding does not come from an NEA grant that stipulates restrictions against funding for profit entities.

The DC Music Coalition has drafted and advocated for the passage of the Music Venue Relief Act and we hope the Commission can help support that endeavor through the capital projects fund.

Our music Coalition has been working for months to draft legislation and launch a campaign to ask the mayor and the council to pass emergency Music Venue Relief. Our letter request and legislation with over 1100 cosigners from DC's music community can be viewed as an attachment to this testimony. Our legislation asks for monthly funding support for venues for the next seven months. If we do not get venue support as soon as possible there will be a mass extinction of our beloved music venues in the next couple months.

We are also aware that after the election, regardless of who wins the White House, there will be a new round of federal stimulus funding that will include funding for music venues across the country as part of the Save Our Stages Act. What we are looking for is a way to start providing support for music venues ASAP for two months until the federal stimulus is passed and can support our venues at least through next summer.

Our request is that the Commission adopt the framework of the Music Venue Relief Act and fund the city's venues for two months under our funding model. Through our calculations this should come out to roughly \$1.8 million of the much larger almost \$5 million dollar capital projects fund. We are also open to other ideas and suggestions that can get these funds in the hands of our music venues before we lose any more venues.

We would love the opportunity to follow up with you all to discuss how the funds designated for capital projects can have the biggest positive impact on our city's arts and music presenters in this time of need.

Thank you for all of your hard work and dedication to supporting the arts,

Chris Naoum
Listen Local First DC on behalf of the
DC Music Coalition Taskforce