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TO: The Neighborhood and Community Services Standing Committee

FROM: David D. Whitaker 
Legislative Policy Division Staff

DATE: June 10, 2020

RE: **RESOLUTION IN SUPPORT OF LOCAL PROMOTERS AND
INDEPENDENT VENUES FOR FEDERAL SUPPORT DUE TO THE
COVID-19 PANDEMIC**

The Honorable Council Pro Tem Mary Sheffield requested the Legislative Policy Division draft a resolution in support of local promoters and independent venues for federal support due to the COVID-19 pandemic.

The draft resolution is attached for your review.

BY HONORABLE COUNCIL PRO TEM MARY SHEFFIELD

RESOLUTION IN SUPPORT OF THE LOCAL PROMOTERS AND INDEPENDENT VENUES FOR FEDERAL SUPPORT DUE TO THE COVID-19 PANDEMIC

WHEREAS, The COVID-19 public health crisis has brought a deafening close to business operations for many independent venues across the country; and

WHEREAS, Entertainment hubs are important economic multipliers for local economies, they serve as employers, tourism destinations and revenue generators for neighboring business such as restaurants, hotels and retail; and

WHEREAS, Independent venues serve as vibrant and essential components of our City's cultural and artistic pride. Independent venues encourage growth of the arts by providing communal space for artists and community groups; and

WHEREAS, The unique circumstances that have led to the closure of the independent venues, will likely lead to a reduction in revenues for these venues for the foreseeable future; and

WHEREAS, Local promoters, such as Rashida Mausi, whose company, Right Productions, manages and operates the Aretha Franklin Amphitheater will likely feel the effects more than the biggest players. For promoters that are not like Live Nation or AEG, expenses they do not receive back could put them permanently out of business; and

WHEREAS, On April 22, 2020, NIVA told *Rolling Stone* magazine that 90% of its 1,300 member venues report they do not have cash on hand to last more than six months without federal intervention, and 55% say they do not have enough to last more than three months; and

WHEREAS, The newly formed National Independent Venue Association (NIVA), which has 450 member organizations in 43 states. NIVA has requested the assistance of specific funding programs for the duration of the government's mandatory shutdown. The goal is to enable independent venues to survive the COVID-19 crisis, reopen in the future, and once again contribute to the economic revival of our communities. The NIVA and promoters are collectively urging Congress to help protect the industry of independent venues, as they are in need of federal financial assistance. Listed below are their requests:

- Ensure that the Small Business Administration's Paycheck Protection Program offer more help for businesses like theirs that are completely shut down and which put them in the greatest need, the association said. Potential revisions would include increasing the program's loan cap and extending the program until all the affected businesses can resume operations at full capacity.
- Establishing a business recovery grant fund for concert venues and other shuttered businesses, granting various forms of tax relief.

- Continuing unemployment insurance for contract workers and artists who typically wouldn't get such protections.
- Create guidelines to help safely reinstate mass gatherings as part of the eventual reopening process. **THEREFORE, BE IT**

RESOLVED, That the Detroit City Council supports local promoters and other independent venues call to receive federal support due to the COVID-19 pandemic. **BE IT FINALLY**

RESOLVED, that copies of this resolution shall be provided to the Mayor and Gov. Whitmer.