



ALL NEW YORK'S A STAGE

New York City Small
Theater Industry Cultural
and Economic Impact Study

NYC
Media &
Entertainment

Commissioned by Anne del Castillo, Commissioner
New York City Mayor's Office of Media and Entertainment

BUROHAPPOLD
ENGINEERING

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About the Mayor's Office of Media and Entertainment

The Mayor's Office of Media and Entertainment (MOME) comprises four divisions: the Office of Film, Theatre and Broadcasting, which coordinates film and television production throughout the five boroughs; NYC Media, the largest municipal television and radio broadcasting entity in the country with a reach of 18 million viewers within a 50-mile radius; workforce and educational initiatives in film, television, theater, music, publishing, advertising and digital content to support the development of NYC's creative industries; and the office of Nightlife, supporting the sustainable development of New York City's nightlife industry. Overall, MOME supports over \$104 billion in economic activity and nearly half a million workers.

In 2015, Mayor Bill de Blasio announced that the Mayor's Office of Media and Entertainment would support an expanded theater portfolio. This includes: workforce training, providing free tickets to residents of public housing, and Broadway performances in neighborhoods outside of Manhattan. MOME continues to develop new initiatives and to conduct studies to build its understanding of the evolving theater industry. MOME continues to build partnerships and programs to strengthen the theater industry and increase access to theater throughout the five boroughs.

About the Consultants

BuroHappold Cities is an international, interdisciplinary team of consultants that provides strategic planning, project management, and analytical services to a diverse range of public and private sector clients. The team brings together planners, economists, engineers, urban designers, real estate professionals, and demographers to tackle urban development problems that represent the built environment at its broadest scale. BuroHappold follows an evidence-based planning approach that ensures tailor-made and highly effective solutions for today's multi-layered urban issues.

3x3 Design is a certified M/WBE social innovation and design strategy consultancy for urban and economic development initiatives. 3x3 helps civic organizations collaborate with their stakeholders and glean insights from applied research to design, pilot, and test innovative plans, programs, and policies that unlock social value and improve how organizations serve people.

Cover Photo

New York Theatre Workshop – *Hadestown*; Anaïs Mitchell (author); Rachel Chavkin (director); Lulu Fall, Nabiyah Be, Jessie Shelton, Shaina Taub, Chris Sullivan (pictured); Joan Marcus (photographer); courtesy of New York Theatre Workshop

Referencing this Report

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About the Campaign: Launched in 2019, ALL NEW YORK'S A STAGE is the first-ever promotional campaign dedicated to raising the visibility of our vibrant local theater industry, which is made up of small venues, companies, and related organizations throughout the five boroughs.

LETTER FROM THE COMMISSIONER

Dear Fellow New Yorkers,

We are proud to present this in-depth look at a little-understood but all-important part of New York City's cultural scene: Small theaters, theater companies, and the organizations that support them. As far as we know, the ALL NEW YORK'S A STAGE: NYC Small Theater Industry Cultural and Economic Impact Study is the first and most comprehensive of its kind. There are close to 750 small theater organizations throughout our city, generating more than \$1 billion and supporting more than 8,000 jobs. Small venues and companies are also where some of the best, most creative theater is made and theatrical artists are formed.

The Mayor's Office of Media and Entertainment works to ensure that New York City continues to be the theater capital of the world through a wide range of efforts. We bring free performances of hit shows to neighborhoods throughout

the city through Broadway in the Boros and Off Broadway in the Boros; we distribute \$5 million to help artists complete projects led by female-identified creatives through the NYC Women's Fund for Media, Music and Theater; we are helping to increase accessibility for people with hearing and visual impairments by supporting the installation of assistive technologies at not-for-profit and independent theaters; and we recently completed the All New York's A Stage promotional campaign to raise the visibility of our city's small theaters, companies, and organizations that are the focus of this study.

We invite you to dig into the amazing information contained here and check out the many theatrical performances happening at venues big and small as well as in unexpected places throughout New York City. As this study shows, All New York really is a stage.

Sincerely,



Anne del Castillo
Commissioner
New York City Mayor's Office of
Media and Entertainment



Ars Nova Stage

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Target Margin Theater – *Marjana and the Forty Thieves*; David Herskovits (director); Isuri Wijesundara (pictured); Gaia Squarci (photographer)

EXECUTIVE SUMMARY

New York City has been a cornerstone of the global theater industry for almost a century. Many of the most notable names in the industry have called this city home, and today it remains a proving ground for countless artists, companies, and production teams. The industry's allure is not just a result of the high concentration of creative spirit and endeavor throughout the city, but also its countless venues, of all shapes and sizes, that line the city's streets.

There are over 220 stages throughout the city, with over 50,000 seats in total spread among three main categories of theater venues: Broadway, Off-Broadway, and Off-Off-Broadway. The latter two categories, defined in this study as the small venue theater industry, are especially important to New York City's creative sector.

These spaces offer an invaluable platform for playwrights and actors to push boundaries, give voice to underrepresented communities, gain exposure, and engage with a thriving community of theatergoers. There are 748 small venue theater organizations throughout the city: 600 production companies, 97 producing or presenting theaters (with a physical location) and 51 theater organizations that exist under the umbrella of a larger institution outside of Academia. The majority of small theaters with physical locations are located in Manhattan below Central Park, but there are also a significant

number of venues in boroughs outside Manhattan.

The small venue theater industry is an integral piece of the larger performing arts landscape, generating ripple effects into larger scale theater productions, as well as into television and film. This is evident in the fact that the last five winners of the Tony for Best Musical came from this sector, most recently *The Band's Visit* and *Hadestown* and that almost a dozen Pulitzer Prize-winning plays were developed in small theaters, including *Hamilton* and *Fairview*. The growth of episodic content on streaming platforms in recent years has further strengthened this dynamic as TV series produced in New York City have drawn talent from the small venue theater industry and expanded career opportunities for actors, playwrights, designers and creative teams, as well as created crossover demand for more skilled workers on sets and stages.

In recent years, a number of small venue theaters in New York have evolved beyond singular-purpose performance houses into neighborhood-oriented cultural centers, strengthening connections with local communities, schools, and businesses. This role often includes providing non-performance programming aimed at the needs of the local community, including social justice initiatives and venues for community events.

In addition to being a cultural driver, the small venue theater industry is also an economic driver, generating approximately \$1.3 billion in total economic output, over 8,400 full-time equivalent jobs and \$512 million in wages in 2017. The total economic output of the small venue theater industry grew at approximately 5% annually between 2014 and 2017, while citywide economic output grew at just under 4%. Jobs and wages also each grew within the small venue theater industry at

approximately 5% annually within the same time period, which outpaced citywide equivalents, which each grew at approximately 2.5%, respectively.

The small venue theater industry is a cornerstone of New York City’s cultural landscape and has an appreciable economic impact. Key characteristics of the industry include:

- **The small venue theater industry generates \$1.3 billion in total economic output, over 8,400 full-time equivalent jobs, and \$512 million in wages.**

Direct impact: The industry is directly responsible for \$584 million in economic output, 3,017 jobs, and \$165 million in wages.

Indirect impact: Indirect economic impact is a result of business-to-business activity between the small venue theater industry and other industries in New York City and amounts to \$513 million in output, 4,195 jobs, and \$264 million in wages.

Induced impact: Induced economic impact is created when employees of the small venue theater industry, and those supported indirectly by this industry, spend their wages within New York City and amounts to \$208 million in economic output, 1,197 jobs, and \$82 million in wages.

- **The small venue theater industry’s growth has outpaced baseline economic growth by 20% for economic output and 100% for job and wage growth.** Specifically, over the past four years, economic output, wages, and jobs have each grown at approximately 5% annually within the sector. Citywide economic output has grown at just under 4% on average over the same time period, and jobs and wages have grown at approximately 2.5%.
- **The small venue theater industry has a comparatively higher multiplier effect on the rest of the City’s economy than many other industries.** Multiplier effects are used to estimate the size of the tangential economic

impacts an industry has on the rest of the city. The multiplier effect for the small venue theater industry is 2.2 as compared to approximately 1.65 for other media and entertainment organizations.

- **Small theaters are an integral part of the city’s performing arts sector.** They continue to be a stage for provocative, cutting edge work, and are an invaluable platform for both established and up-and-coming talent, playwrights, and creative production teams.

The small venue theater industry delivers critical cultural and economic benefits to New York City and has a greater influence on the city’s cultural character than ever before. Yet, small grassroots theaters face increasing challenges related to space provisions for production development and presentation, theater workforce and talent, funding, and revenue generation. As evidence to the high levels of activity throughout the sector, over 280 theater organizations have been founded in the

Figure 1.1: Total Economic Impact of New York City Small Venue Sector



\$1.3b
in output



8,400
jobs



\$512m
in wages

past decade, while over 100 theaters have closed or relocated in the same period. The majority of closures are concentrated in Manhattan below Central Park, but a significant number have also closed in parts of Brooklyn and Queens. While some of this turnover can be attributed to natural industry cycles, the challenges listed above are significant contributors.

The small venue theater industry is seeing challenges and opportunities as it expands in New York City. Through it all, small theater's cultural and economic impacts are increasingly important to the larger dramatic arts and entertainment industries of New

York City. Theater arts practitioners and policymakers working in the field are well positioned to continue to support a thriving small venue theater industry that advances cultural innovation, reinforces the depth of talent and careers in the sector, and provides benefits to diverse audiences and communities across the City. ●

The small venue theater industry's growth has outpaced baseline economic growth by 20% for economic output and 100% for job and wage growth. Specifically, over the past four years, economic output, wages, and jobs have each grown at approximately 5% annually within the sector. Citywide economic output has grown at just under 4% on average over the same time period, and jobs and wages have grown at approximately 2.5%.



Live Source Theatre Group – *Solstice Party!* performed at A.R.T./New York Theatres; Patrick Andrew Jones, Satomi Blair, Stephanie Weeks, Chris Ignacio, Phoebe Dunn (pictured); Mark Davis (photographer)



The New Group –*The True*; Edie Falco (pictured); Monique Carboni (photographer)

INTRODUCTION

For well over a century, small theaters have been an integral component of New York City’s cultural landscape and identity. The small venue theater industry has been a platform to provoke discussion on contemporary issues, such as identity, politics, and culture through experimentations in form, text, and experience. Small theaters provide a space for a diverse array of programming and incite innovation in content development and new media and technology that influences a variety of performing arts, including fine arts, film, and television.

Venues throughout the city have been steady proving grounds for countless productions and future household names in the early stages of their careers.

The remarkable cultural achievements by the small venue theater industry are a result of the ability and willingness of small theater organizations to take risks on provocative new work, acting both as incubators and counterbalances to mainstream productions. The industry provides a space for emerging artists not just to experiment, but is also a source of employment and steady income for many in the dramatic arts field, including actors, directors, writers, designers, choreographers, agents, and many other cultural producers, including those behind the scenes such as managers, administrators and accountants, and those working backstage.

Small theaters’ role in the creation of cultural capital has only increased in

recent years with the explosive growth of film and television content, particularly on streaming platforms. Many of these productions, a number of which are developed and filmed in New York City, are staffed with talent that has strong connections to the small venue theater industry.

In addition to their value for performing artists, theaters have a long history of catalyzing social change and are invaluable platforms for community building and social activism. Small theaters provide a crucial voice for underrepresented communities, elevating stories that are sometimes missed or infrequently covered by mainstream entertainment media. Additionally, they provide a valuable outlet for New York City’s young people to engage with the dramatic arts sector as both participants and audience members, via education programs during and outside of school, discount ticketing, and public forums.

This study assesses the state of the theater industry beyond Broadway in New York City. The sector is varied and complex, including a diverse range of organizations. The study uses the terms, “small venue theater industry” and “small theaters” to describe this broad group. The Defining the Industry section beginning on page 15 further explains the segmentation and typologies of theater organizations that fit within this sector.

This study describes the structure of the small venue theater sector including its history, cultural and economic impacts, and operational practices, and concludes with a series of high-level findings that set the stage for future efforts to support the small venue theater industry. The findings presented in this study are supported through a research process that involved in-depth engagements with over 40 industry stakeholders, which included artistic directors, theater operators, artists, and industry experts. This was further supplemented by rigorous data analysis and literature review. Working sessions were conducted with a strategic advisory group representing key theater industry experts with experience and influence within the fields of advocacy, education, and fundraising for the small venue theater industry.

Why this study now?

While the value of small venue theaters is undeniable, the challenges that venues, their employees, and artistic communities currently face are greater than ever.

Employees are frequently faced with unstable compensation structures in comparison to other cultural sectors, such as television, film, or other media. As a result, housing affordability and rising living costs have particularly outsized implications for this labor force. In New York City, residential rents have increased on average 3.9% while wage increases have increased 1.8% over the same period from 2009 to 2017.¹ Escalating production and real estate costs, a scarcity of funds to hire staff members, and limited resources to dedicate to business development pose major challenges to these organizations.

As public and institutional funding sources shift or decrease, theaters are forced to scale back their productions, shorten the runs of shows, or increase ticket prices, affecting the type of work produced and the audiences able to access the work.

Despite the industry's challenges, shows originated in small theaters are as culturally and economically significant as ever before. Theatrical productions have had a marked impact on other media forms, including television and film. Cross-pollination between these mediums has fostered performance that melds installation, video, dance, and other genres. More venues are opening in boroughs outside of Manhattan, bringing theater to historically marginalized communities, and many theaters are engaging local communities through education programs, discount tickets, and programs in public schools. These positive trends demonstrate that the small venue theater industry is integral to the cultural dialogue of our city.

This study comes at a critical time. Despite the small venue theater industry's immense—and growing—cultural and intellectual value to our city, it faces acute challenges. Little is understood about the sector's historic role as a contributor to the city's cultural economy. Simultaneously, its passionate employees face a multitude of challenges as they combat rising real estate and living costs. This study lays out the industry's key economic and cultural benefits to the city-at-large, as well as the issues and opportunities facing the sector today. ●

"The small theaters are the places where experimentation happens; we develop artists, often from underrepresented groups. We lay the groundwork for inventive practitioners."

Susan Bernfield, New Georges



Clubbed Thumb – *What the Constitution Means to Me*; Heidi Schreck (playwright); Oliver Butler (director); Rosdely Ciprian, Heidi Schreck (pictured); Elke Young (photographer)



Pregones/PRTT – *Baile Cangrejero*; Jorge B. Merced (director); Yaremis Féliz (pictured); Marisol Diaz (photographer)

DEFINING THE INDUSTRY

The roots of the small venue theater industry emerged in the early 1900s as New York’s burgeoning theater industry was expanding beyond the Broadway district. Off-Broadway theaters, which primarily hosted plays and not musicals, offered a platform for new styles and approaches. During this period, cultural producers were rejecting the status quo by developing innovative forms of art, music, dance, literature, and drama that engaged critically with the issues of the time.

Small venue theaters provided an affordable alternative to Broadway and extended theater to a wider audience. While the growth of this sector began at the beginning of the century, the term “Off-Broadway” was popularized in the early 1950s, shortly before the modern federal tax code’s establishment, including section 501, which provides tax exemption for eligible non-profit organizations and section 170, which allows deductions for charitable contributions. Sections 501 and 170 of the tax code increased the ability of small theaters to obtain donations and provided other benefits that enabled small theaters to produce performances that were not viable in commercial theaters. Small theaters continue to provide a space for theater-makers to produce work that may not otherwise receive mainstream institutional support.

Small theaters have a long history in New York City’s culture. The industry’s

significance has progressively grown since its inception and is now at the forefront of global cultural dialogue and is firmly intertwined with the rest of the dramatic arts landscape.

Industry Landscape

The small venue theater industry is nuanced and does not always fall into a finite set of categories. This is partially due to the vast array of informal and non-traditional participants and activities that make up the sector. Many workers in the industry are not standard ‘full-time employees’, but in fact work part-time, or on contract, or volunteer their time.

Furthermore, the sector spans a wide range of operating models and structures. Shows at a specific theater venue may be produced by the theater company operating the venue, or an outside theater company, or co-produced across multiple theater companies, or

“The challenges faced by different sizes and scales of small theaters are all vastly different from one another.”

Roundtable participant

by a production company created solely for one production. The industry is also closely intertwined with a variety of other creative sectors, such as dance, opera, stand-up comedy, and other visual performances. Due to the complexity of the operation and structure of this sector, the analysis in this report focuses on those organizations that are completely or predominantly involved in theatrical productions.² Theaters within higher education institutions are also not included in the study due to barriers associated with obtaining accurate information specific to theatrical performance.

Theater Venue Categories: Broadway, Off-Broadway, and Off-Off-Broadway

Theaters across New York City broadly fall into one of the following three categories: Broadway, Off-Broadway, and Off-Off-Broadway. This study focuses largely on the latter two categories, namely Off-Broadway and Off-Off-Broadway, as well as all other

theaters falling beyond this traditional categorization and beyond the scope of Broadway.

Broadway theaters are traditionally defined as production venues with capacities of 500 or more seats, located within the Theater District or the “Theater Box.” The majority of colloquially-termed ‘Broadway’ theaters are managed as commercial entities, which typically do not create productions themselves. Instead, these theaters lease their venues to producers or production companies for shows that generally run as long as they are profitable.

Off-Broadway refers to theater venues with capacities generally between 100 and 499 seats. While these may be located anywhere on the island of Manhattan, many are located south of Central Park and on the West Side, with a focus on Midtown and Greenwich Village. The majority of Off-Broadway theaters are non-profits, though some are commercial entities.



Spotlight: Caffe Cino

Considered the birthplace of Off-Off-Broadway, the coffeehouse and art space Caffe Cino opened in 1958 in Greenwich Village and presented experimental and controversial short plays. During this time, portraying homosexuality within theater was illegal and Caffe Cino became a platform for gay playwrights and content including, Lanford Wilson’s *The Madness of Lady Bright* in 1964. The theater closed in 1968 but visitors are still reminded of the significance as it was officially listed on the National Register of Historic Places.³ Photo: Caffe Cino exterior in 1965; photograph by James D. Gossage

Figure 3.1: Broadway Theater District, "Theater Box"

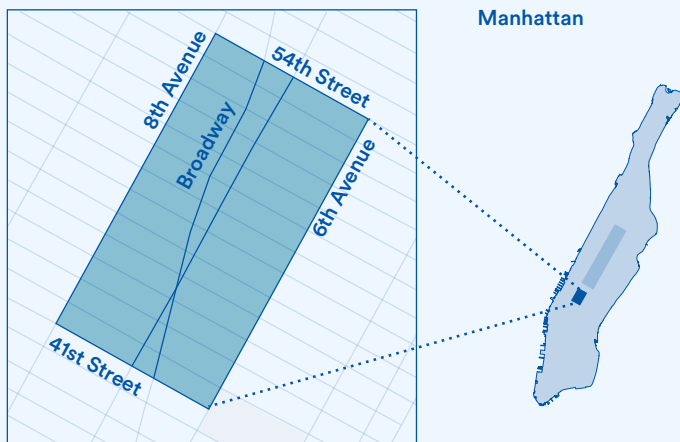


Figure 3.2: Traditional Theater Categories and Definitions

Broadway	Off-Broadway	Off-Off-Broadway
500+ seats	100–499 seats	99 seats or less
Located in Manhattan's "Theater Box"	Located in Manhattan	Located anywhere in New York City

Off-Off-Broadway can be defined as all theaters across New York City's five boroughs with a capacity of 99 seats or less. This category of theater became increasingly popular throughout the latter half of the 20th century. The vast majority of Off-Off-Broadway theaters are non-profits and offer a space to push the envelope of theatrical experience.

Limitations of Traditional Definitions

While these definitions provide a broad framework through which to understand the small theater landscape, the reality is more nuanced. For example, there are theaters in Manhattan, outside of the 'Theater Box', such as New York City Center and the Park Avenue Armory, as well as in boroughs outside Manhattan, such as St. Ann's Warehouse in Brooklyn, that hold more than 500 seats, thereby not falling simply into one of the three sector categories.

Categorizing the Sector Today

This study evaluated 748 small venue theater organizations, which fall into three discrete categories: 97 are producing or presenting theaters (with a physical location), 51 are theaters that are part of larger organizations, and 600 are production companies.

Theaters are organizations with physical venues where shows are presented. Theaters can act as presenting or producing organizations, or a combination of both. 97 have been included in this report's analysis, 73 of which are non-profit and 24 are commercial.

- **Producing theaters** operate and manage a physical venue with permanent in-house staff and oversee the artistic programming of the venue, presenting and producing work. While many theaters program full seasons, a number of producing theaters do not program their venue full-time. Instead, theaters rent out

their venue to theater companies on an ad-hoc basis during periods without curated programming.

- **Presenting theaters** are stand-alone theaters that are not involved in artistic programming and, instead, rent their venue to theater companies for productions, on short- or long-term leases, often providing rental equipment and a la carte production services.

Theaters may also be housed under the umbrella of a larger organization, which include institutional organizations or cultural venues. Generally, these 51 venues are larger cultural spaces that host a broad variety of cultural programming, from theater to dance to lectures to cinema to education. Theaters within education institutions have been excluded due to barriers associated with obtaining accurate information specific to theatrical performance.



The Tank – *Independent Study*; Ben Gassman (playwright); Ran Xia (director); Gareth Tidball, Sharlee J. Taylor, Finn Kilgore (pictured); Asya Gorovits (photographer)

Theater production companies without dedicated venues (sometimes referred to in this report as ‘nomadic’ theater companies) focus on artistic programming and generally rent space, as needed, during the development, rehearsal, production, and presentation of their shows. Production companies typically employ a core full-time staff and assemble creative teams for each production, working in collaboration with artists, playwrights, and theater-makers as necessary. In general, the 600 theater production companies in New York are non-profit organizations that reinvest profits into organizational expansion or future productions. For a description of Theater Roles and Responsibilities, see Appendix, pg 52.

**Financing Structure:
Commercial vs. Non-profit**

Theaters and production companies across New York City are operated either as commercial or non-profit entities. While this categorization does not always reflect differences in the

process, structure, and outcome of the shows, certain trends exist, which are set out as follows:

Commercial Theaters

Commercial theaters generally host a single show at a time that is produced by a separate theater production company. Typically, production companies producing shows at commercial theaters do not own or operate the theater venues. Instead, the company leases the theater for the duration of the production.

Non-profit Theaters

Since the late 1950s, non-profit theaters have the advantage of funding sources that are not usually available to commercial theaters. Most government, foundation, and corporate grants require that theater applicants be non-profits. And donations to 501(c)(3) theaters generally qualify for federal income tax deductions—this encourages individuals and corporations.

The 724 non-profit theaters and theater companies, as compared to only 24 for-profit commercial venues within the small venue theater industry, provide the most common access point for many New York City audiences to experience professional theater. Non-profit theaters play a crucial role in New York City’s dramatic arts sector—not only in the development of new plays and musicals but also in the disruption of traditional economic models for large commercial theaters.

Space: Geography & Capacity

Small venue theaters across New York City hold a total capacity of 51,779 seats, including 43,127 within non-profit theaters, and 8,652 within commercial theaters. These seats are divided among 226 stages, within 148 theater venues in New York City (commercial theaters, non-profit theaters, and those within larger organizations, excluding theaters housed within academic institutions). A large proportion, 44%, of these stages have capacities below

Figure 3.3: Small Venue Theater Organizations Studied

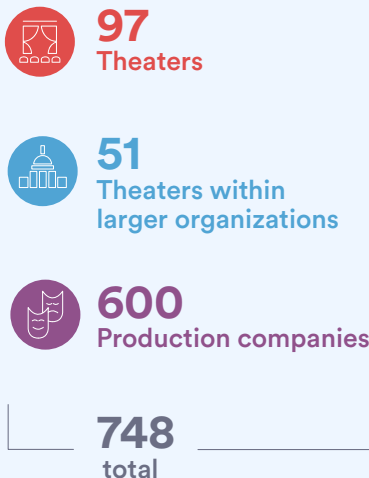


Figure 3.4: Total Number of Theater Organizations by Financing Structure

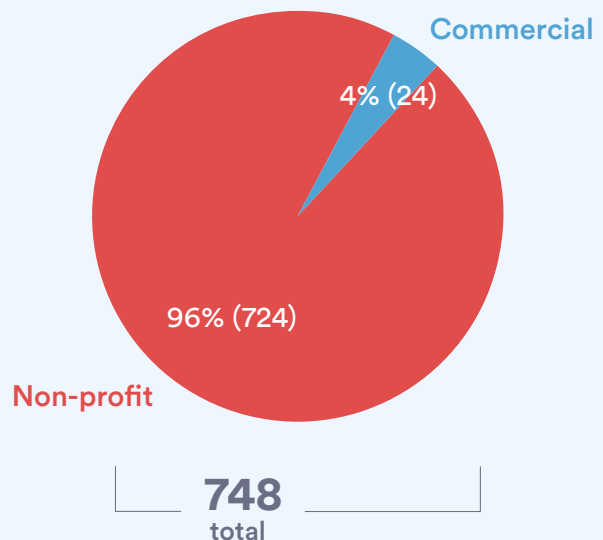
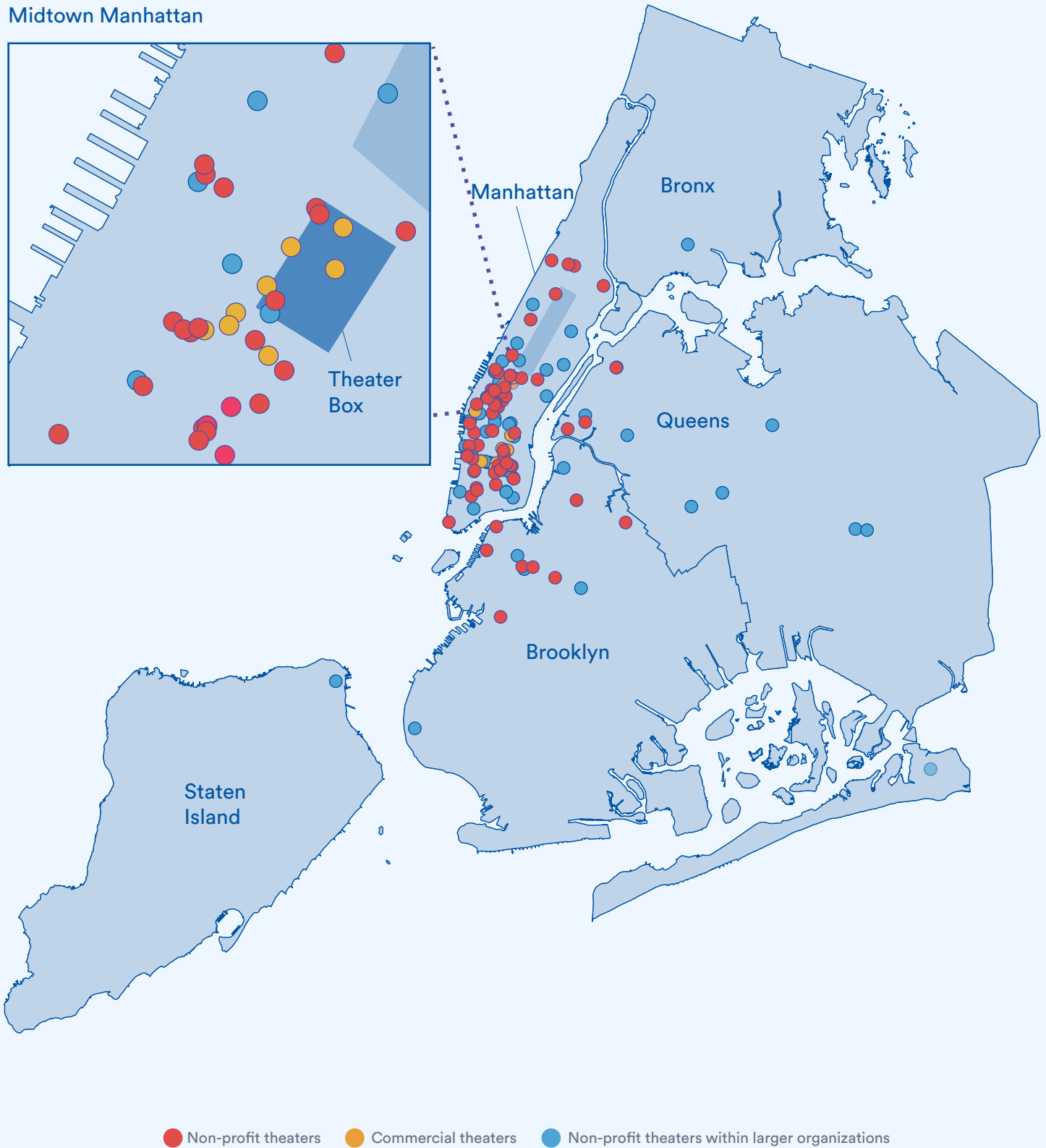


Figure 3.5: Map of NYC Off-Broadway and Off-Off-Broadway Theaters



99 seats, implying the vital role these smaller spaces play within the sector. 27% percent of these stages have capacities between 100 and 199 seats. Less than one third of these stages are larger than 200 seats: 14% are between 200 and 299, 7% are between 300 and 499, and 8% are larger than 500 seats.

However, the geographic concentration, limited number, and high production costs affiliated with Broadway houses, as well as price pressures of Manhattan, contribute to the opening of theaters in boroughs outside Manhattan. Among contributing economic factors are the demographic shifts occurring as increasing numbers of city residents and younger generations move outside Manhattan and many theater artists and companies are setting up shop nearby, thus creating cultural hubs in neighborhoods throughout the city.

Commercial Theaters

The majority of New York City’s 24 small venue commercial theaters are located in Manhattan, clustered around Times Square. Outside of Midtown, several small venue commercial theaters exist in Greenwich Village, the East Village, and Soho, with outliers on the Upper West Side and in Chelsea. New World Stages is the largest commercial theater organization, with a capacity of almost 2,400 across its multiple stages. However, commercial small theater venues have a median capacity of 144 seats.

Non-profit Theaters

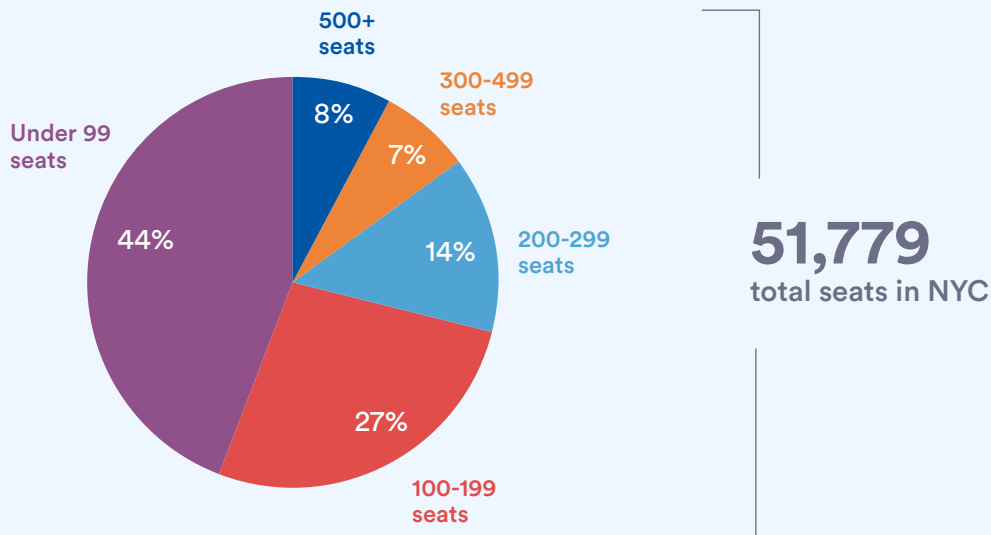
While most of New York City’s 97 non-profit theater venues are still located in Manhattan, they are more evenly distributed throughout the city. Roughly 30% of non-profit theater venues are located within Midtown and an additional 15% are clustered near the East Village/Lower East Side. The remaining half of non-profit theater venues are distributed throughout Greenwich

Village, Soho, Tribeca, and Harlem, with a small number of outliers in Brooklyn and Queens. Non-profit theater venues are generally smaller than commercial theater venues, with a median capacity of 128 seats. Several exist with capacities of over 1,000, including the Apollo and the Lincoln Center Theater.

The small venue theater industry is a complex and multi-faceted sector that takes advantage of a range of scales, operating models, and financing mechanisms. Because the sector is nimble in scale and operation, it has the capacity to develop work that is experimental, critical, and might not otherwise be produced in larger or more profit-oriented venues.

The diversity of theater organizations demonstrates the variety of work produced from ornate musicals to small-scale productions, all of which bring the capacity to move and entertain New York City audiences. ●

Figure 3.6: Seating Capacity of Small Venue Theaters





National Black Theatre – *Kill Move Paradise*; James Ijames (playwright); Saheem Ali (director); Sidiki Fofana, Donnell E. Smith, Ryan Jamaal Swain (pictured); Alan Edwards (photographer)



Apollo Theater – *We Shall Not Be Moved*; Bill T. Jones (director); Daniel Bernard Roumain (composer);
Marc Bamuthi Joseph (libretto); Lauren Whitehead, Kristin Chávez (pictured)

CULTURAL IMPACTS

Emerging in the early 20th century as an alternative space for diverse theater voices, small theaters have a long history in New York City. The force of the subsequent small theater industry has further solidified this mission; developing trailblazing work that has expanded cultural dialogue, given voice to underrepresented communities, and fostered some of the most important pieces in the American theatrical canon.

These often controversial shows—such as *The Boys in the Band*, *Topdog/Underdog*, *Next to Normal*, *How I Learned to Drive*, *Torch Song Trilogy*, *Jesus Hopped the A-train*, *Rent*, *Ruined*—have pushed theatrical conventions in the development of risk-taking work that is the hallmark of the small theaters in New York City. As a result, New York City’s position as the world’s cultural capital is due in no small part to the small venue theater industry.

The cultural value of the sector is not only generated from what is presented but also who is presented. Small venue theaters have long acted as ‘incubator spaces’, providing an invaluable training ground for emerging artists, with the best and most iconoclastic writers, actors, designers, composers, choreographers, and directors all cutting their teeth within this sector. These same artists routinely tour experimental works developed in the city internationally, work in film, in television, and within other performance platforms.

Household names such as Al Pacino, Christopher Walken, Lea Michelle, and Denzel Washington all performed in Off-Broadway productions before going on to become the actors they are today. Many return to perform short runs in theaters where they have roots that allow for experimentation, and this can often involve mentoring others.

The impact of the work created within the New York City small venue theater industry cannot be assessed in isolation. Small theaters operate within a broader dramatic and performing arts industry containing strong, interlinked relationships across theater, television, film, podcasting, and many other creative mediums. The rapid growth of episodic content on streaming platforms in recent years has further strengthened this dynamic. These productions are frequently written, developed, and produced in New York City and staffed by creative teams and talent with strong connections to the small venue theater industry.

“NYC is the greatest cultural capital in the world - on every block, in every borough there are artists. We call ourselves the media capital, the financial capital, but we are the cultural capital.”

Catherine Porter, The Scherman Foundation

Furthermore, the sector can act as a pathway for the content itself, with a number of shows developed in the small venue theater industry in some instances finding their way to a larger platform, such as playing in bigger houses or on Broadway. This is evident in the fact that the last five winners of the Tony for Best Musical came from this sector, most recently *The Band’s Visit* and *Hadestown*. This trajectory has often been the result of the ability of small venues to take risks on provocative new work. Many shows now deemed as cultural landmarks often have a long development history that is not always evident. Small theaters have helped develop the wider dramatic and performing arts industry over several generations.

In recent years, a number of small theaters in New York have evolved beyond singular-purpose performance houses into neighborhood-oriented cultural centers. As venues continue to open in neighborhoods outside of Manhattan, many have made efforts to strengthen

connections with local communities and businesses. Educational and family-oriented programs, as well as discounted tickets for local residents and local hiring, are commonly used to foster connections. In this way, they provide ‘social capital’ in addition to ‘cultural capital’ for neighborhoods and the city-at-large. This role often includes providing non-performance programming aimed at the needs of the local community, including social justice initiatives, as well as providing their theater venues for community events when not being used for rehearsals or productions.

Small theaters are integral to the larger dramatic and performing arts industry of New York City, ensuring that the landscape for theatermakers is supportive of innovative and experimental work. The unique dynamics of this sector are the engine for the city’s high caliber of theater production from plays and performances to education and outreach to new works across media forms. ●



Spotlight: The Movement Theatre Company

The Movement Theatre Company’s mission is to develop and produce new work by artists of color on their own terms. Their work engages audiences in a rich theatrical dialogue, enlightens communities to the important issues affecting our world, and empowers artists to celebrate the many sides of their unique voices. One such program, *Harlem Nights*, celebrates Harlem with small businesses through free theatrical shows in non-traditional spaces. Photo: *And She Would Stand Like This* at A.R.T./New York Theatres; Ahron R. Foster (photographer); Harrison David Rivers (playwright); David Mendizábal (director)

Figure 4.1: Pulitzer Prize-Winning Plays Developed in Small Theaters



Fairview,
Soho Rep.
2019



*Between Riverside
and Crazy*,
Linda Gross Theater
2015



The Flick,
Playwrights Horizons
2014



Clybourne Park,
Playwrights Horizons
2011

Figure 4.2: Celebrated Playwrights Who Have Written Works for the Small Venue Theater Sector

Suzan-Lori Parks

“She’s one of the most productive and acclaimed people working in theater today, and she’s known for pulling off remarkable feats like writing 365 plays in 365 days.” – NPR

Annie Baker

“Drawing on the immediacy of overheard conversation, she has pioneered a style of theater made to seem as untheatrical as possible, while using the tools of the stage to focus audience attention.” – The New Yorker

Branden Jacobs-Jenkins

“Using a range of theatrical genres in subversive, often unsettling works that engage frankly with the ways in which race, class, and history are negotiated in both private and public.” – MacArthur Foundation

Dominique Morisseau

“A playwright of piercing eloquence. She bravely and repeatedly dives into the muddled shadows of social issues often presented in cold statistics and cleanly drawn graphs. Ms. Morisseau has made it a mission to put onstage people of a race and class and type that much mainstream theater might ignore or demonize.” – The New York Times

Lynn Nottage

“Lynn Nottage is dedicated to opening up stories that we’re not used to hearing. She brings a sense of curiosity to all sorts of subjects and a clear eye to notoriously difficult parts of American culture and society. She’s the only writer I can think of working now, in any medium, who so understands poor white Americans, with compassion for their terror but no pity for the racial attitudes people end up getting stuck in.” – Time

Taylor Mac

“Mac is challenging audiences to reimagine our relationships to one another and demonstrating ways in which the arts can be a tool for inspiring social change.” – MacArthur Foundation

Amy Herzog

“Ms. Herzog has dug deep into the terrain where generations intersect, in ways political as well as personal, with a perspective as clear-eyed as it is compassionate.” – The New York Times

Adam Rapp

“Rapp is a gifted storyteller. He makes demands on his audience, and he rewards its close attention with depth and elegance.” – The New Yorker

Young Jean Lee

“A genuinely original playwright and theater-maker who explores diverse theatrical styles, forms and subjects with a dramaturgy that constantly takes risks and pushes the boundaries of what is possible.” – Windham-Campbell Prize Committee



Spotlight: *Hadestown: The Myth. The Musical*

Originally a concept album and later a stage production by songwriter, musician and playwright Anaiis Mitchell, *Hadestown* tells the story of the ancient Greek myth of Orpheus and Eurydice. Developed with and directed by Rachel Chavkin, the production premiered Off-Broadway in 2016 at New York Theatre Workshop (NYTW) and grew into today’s renowned stage musical. Actors Amber Gray, Patrick Page, and Jessie Shelton reprised their roles when the play moved to Broadway at the Walter Kerr Theatre in March 2019. The show went on to receive critical acclaim and 8 Tony awards including Best Musical. Photo: *Hadestown* at NYTW; Patrick Page, Nabiyah Be (pictured); Joan Marcus (photographer)

“Increasing our engagement with schools, listening to more local residents, and creating things that are more meaningful to the neighborhood is how we define community.”

David Herskovits, Target Margin Theater



Clubbed Thumb – *Men on Boats*; Jaclyn Backhaus (playwright); Will Davis (director); Elke Young (photographer)

ECONOMIC IMPACTS

Small theaters play an integral role in New York City's economy. The collection of largely non-profit small theaters analyzed throughout this study have significant impacts across the city, generating more than \$1.3 billion yearly in direct, indirect, and induced benefits, as well as over 8,400 (full-time equivalent) jobs and \$512 million in wages. Over the past four years, output, wages, and jobs have grown 5% annually within the small theater industry outpacing the larger performing arts and entertainment industry, which has grown at a rate of approximately 2%.

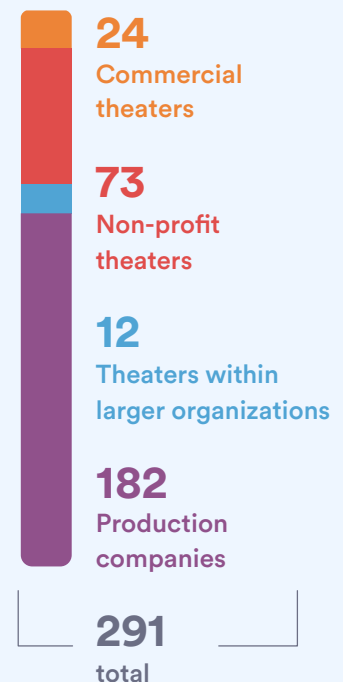
Economic Analysis Approach

The small venue theater industry is nuanced. As such, the criteria to establish its economic impact needs to be flexible enough to account for the varying types of theaters. While the City recognizes all those within the 748 small venue theater organizations across New York City that host and/or produce theatrical programming, not all are included in the economic analysis. The economic impact analysis includes the 291 commercial entities and non-profit organizations that normally have annual gross receipts of \$50,000 or more.⁴ This set includes 267 non-profits (73 theaters, 182 production companies and 12 theaters within larger organizations), and 24 commercial theaters. The study also excluded certain theaters within larger organizations that do not publicly share disaggregated information, specifically relating to theatrical programming.

Focusing the scope of this report's assessment on theaters that normally have gross receipts of \$50,000 or more allows for an accurate representation of small theaters, as data was inconsistent among theaters below the \$50,000 threshold. A full description of this category is described in the methodology on page 48. IMPLAN is the industry-standard economic analysis tool that utilizes industry specific multipliers to extrapolate direct, indirect, and induced economic impacts of a specific sector. Industry specific multipliers were sourced from IMPLAN and were used to assess the indirect and induced economic impact of the small venue theater industry.

The study aggregates financial information from a number of sources in order to understand organizational structure, revenues and expenses, and economic impact. An overview of data sources and methodology is as follows:

Figure 5.1: Included in the Economic Study



1. Tax data: Fiscal data is sourced from publicly available 2017 tax forms (IRS-990 forms).

2. Ticket sales: For commercial theaters, 2017 ticket sales data from industry organizations was used in the analysis. Where show-specific data was not obtainable, it was estimated using the revenue estimation methodology described in the Appendix.

3. Proprietary data: In cases where information was not publicly available, a specific request was made to each organization individually requesting a breakdown of financial data. The availability of data varied by organization and was based on information from either 2017 or 2018.

Direct Economic Impact

The small venue theater industry's direct economic impact includes revenues generated by theaters, theater production companies, and theaters that are part of larger organizations through ticket sales, rental income from performance venues, government grants, private contributions, and other sources. These organizations are annually responsible for:

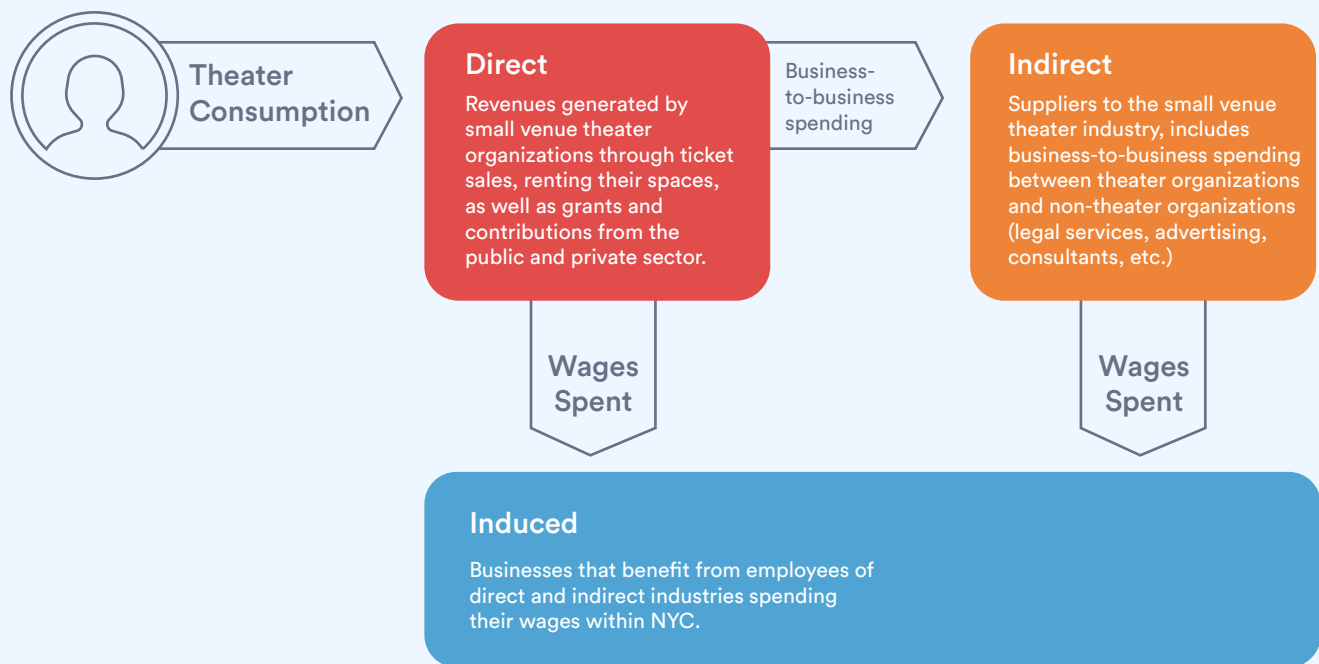
- **\$584 million in output**
- **3,017 jobs (full-time equivalent)**
- **\$166 million in wages**

Broader Economic Impact

The direct economic impact of the small venue theater industry leads to indirect and induced economic impacts, which yields the industry's total economic impact.

The small venue theater industry is inextricably linked to a multitude of other industries beyond the arts and makes an important contribution to New York City's total economic output. For example, theaters reach out to advertising agencies to promote shows, hire consultants, contract specialized designers for sets, costumes, lighting and sound, and pay rent to use commercial venues, among other

Figure 5.2: Types of Economic Impact



secondary services. Additionally, many theatergoers will also double as restaurant patrons on the same night they go to a show, which has a significant impact on the larger hospitality industry. Unsurprisingly, the largest industry supported by the small theaters is ‘independent artists, writers, and performers’ (as designated by IMPLAN, the industry-standard tool for economic impact analysis). This group includes creative workers such as actors, directors, lighting designers, dancers, sound designers, and musicians who are hired on short, fixed-term contracts.

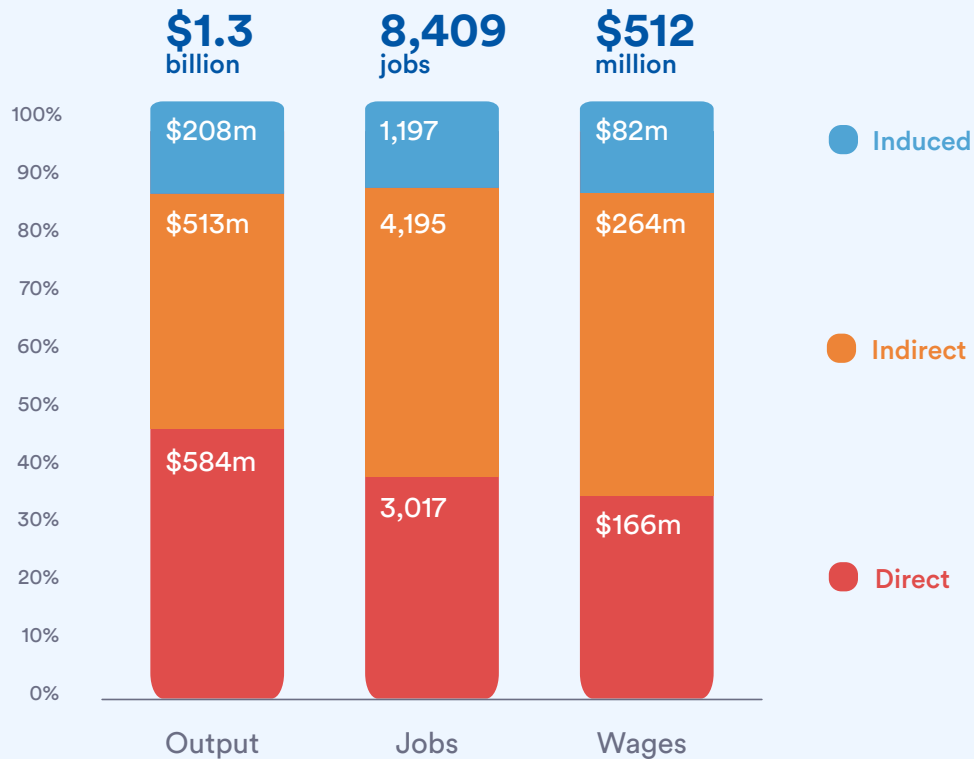
The second largest industry supported by small theaters is the ‘real estate industry.’ Theater, unlike other entertainment sectors, requires physical space to be experienced and generate revenue. Real estate economic output is generated by production companies paying rent to theater venues and other entities that lease out rehearsal space, and theaters paying rent to landlords. ‘Promoters of performing arts’ is the third largest industry supported by theater companies that includes advertising and ticketing agencies to undertake marketing campaigns and buy advertising space in newspapers.

Indirect economic impact is a result of business-to-business activity between the small venue theater industry and other industries in New York City (such as advertising, legal services, consultants, etc.). This impact annually amounts to:

- **\$513 million in output**
- **4,195 jobs (full-time equivalent)**
- **\$264 million in wages**

Induced economic impact is created when employees of the small venue theater industry, and those supported indirectly by this industry, spend their wages within New York City. The

Figure 5.3: Direct, Indirect, and Induced Economic Impacts of Small Venue Sector



induced economic impact annually results in:

- **\$208 million in output**
- **1,197 jobs (full-time equivalent)**
- **\$82 million in wages**

Significant Multiplier Impacts

Multiplier effects are used to estimate the size of the tangential economic impacts an industry has on the rest of the city. With a total economic impact of \$1.3 billion and a direct output of \$584 million, a distinguishing factor of the small venue theater industry is its large multiplier effect on the rest of the city's economy, comparatively higher than many other industries. The multiplier effect of the small venue theater industry, which is predominantly made up of non-profit organizations, is 2.2. Other media and entertainment organizations, which are largely made up of commercial entities, have a multiplier effect of approximately 1.65.

Non-profits, unlike commercial entities, do not distribute their profits to any shareholders and do not pay taxes, leaving 100% of revenues to be re-circulated within the economy. Additionally, the small venue theater industry spends a large proportion of its revenues locally, as opposed to spending revenue in other parts of the country or world. The nature of theater as an art form is predominantly place-based, requiring local collaborators, such as actors, repair services, set designers, etc.

Employment

It is estimated that the small venue theater industry directly supports 3,017 full-time equivalent jobs across theaters and production companies. The analysis of direct, indirect, and induced

economic impacts measures full-time equivalent jobs, as this is the standard metric to determine industry economic impact. It is important to note, however, that many organizations within the small venue theater industry rely heavily on volunteer and part-time workers. So, while the small venue theater industry is directly responsible for 3,017 full-time equivalent jobs, as many as 12,571⁵ wage-earners, both full- and part-time, support theater organizations throughout the year. Additionally, the industry is supported by approximately 9,336 non-salaried volunteers.

An analysis of data from the non-profit tax forms suggests that organizations with smaller budgets depend more heavily on volunteers than those with larger budgets. In fact, 92% of labor is volunteer work within organizations with budgets below \$100,000. Contrastingly, 39% of labor is unpaid volunteer work among organizations with annual budgets above \$5 million, a still significant proportion.⁶

Sector Growth

Over the past four years, output, wages, and jobs have grown 5% annually within the sector outpacing the larger performing arts industry, which has a growth rate of approximately 2%.

According to the limited available data, the total economic output of the small venue theater industry grew at approximately 5% annually between 2014 and 2017, while the citywide growth equivalent grew at just under 4%.⁷ Jobs and wages also each grew within the small venue theater industry at approximately 5% annually within the same time period, which outpaced citywide growth equivalents of approximately 2.2% and 2.5%.⁸ The small venue theater industry growth has

outpaced baseline citywide economic output by approximately 20% and jobs and wages by 100%.

Despite challenging economic factors, the demand for small venue theaters and the art that emerges from them has continued to expand in recent years. With the right support, it will continue to grow in the years to come. ●

The small venue theater industry is inextricably linked to a multitude of other industries beyond the arts and makes an important contribution to New York City's total economic output.

The total economic output of the small venue theater industry grew at approximately 5% annually between 2014 and 2017 while the citywide growth equivalent grew at just under 4%.⁹

Figure 5.4: Inter-Industry Indirect and Induced Economic Output

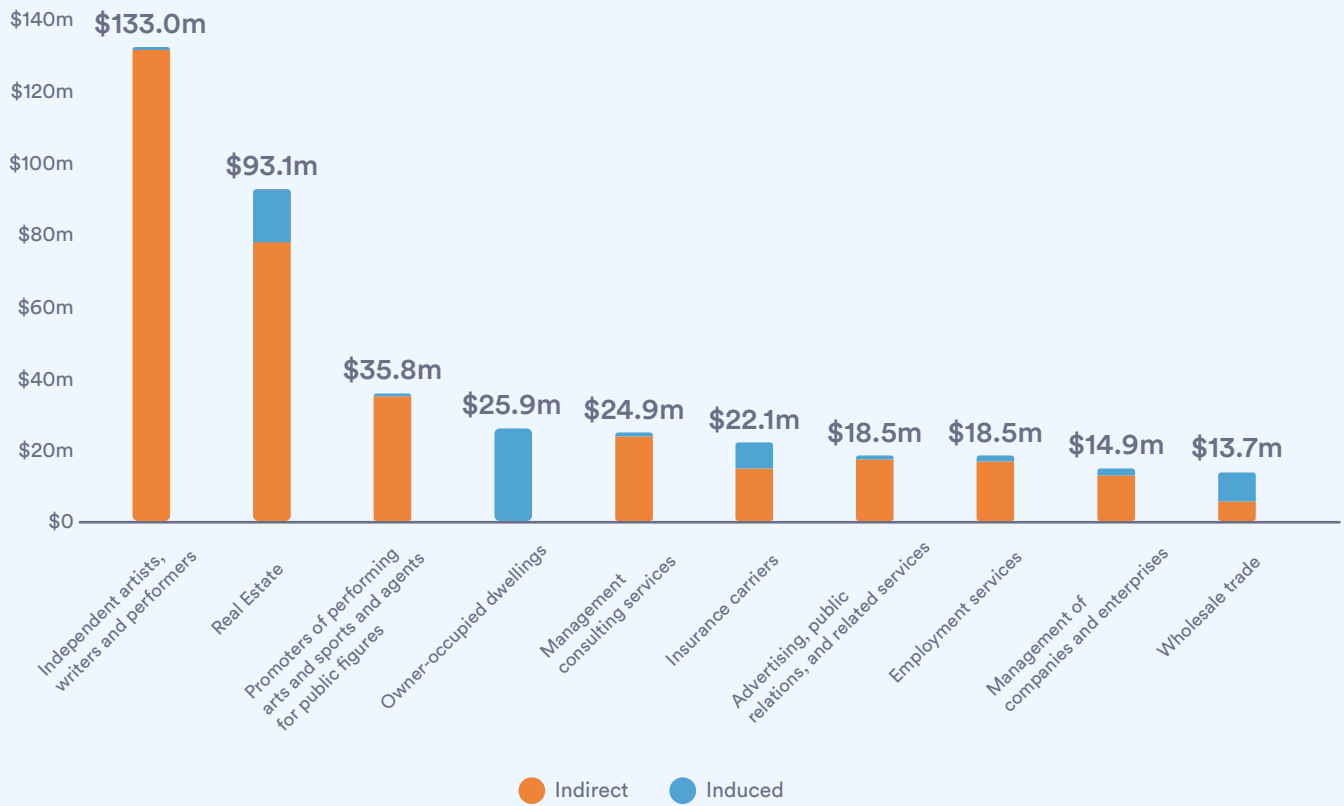
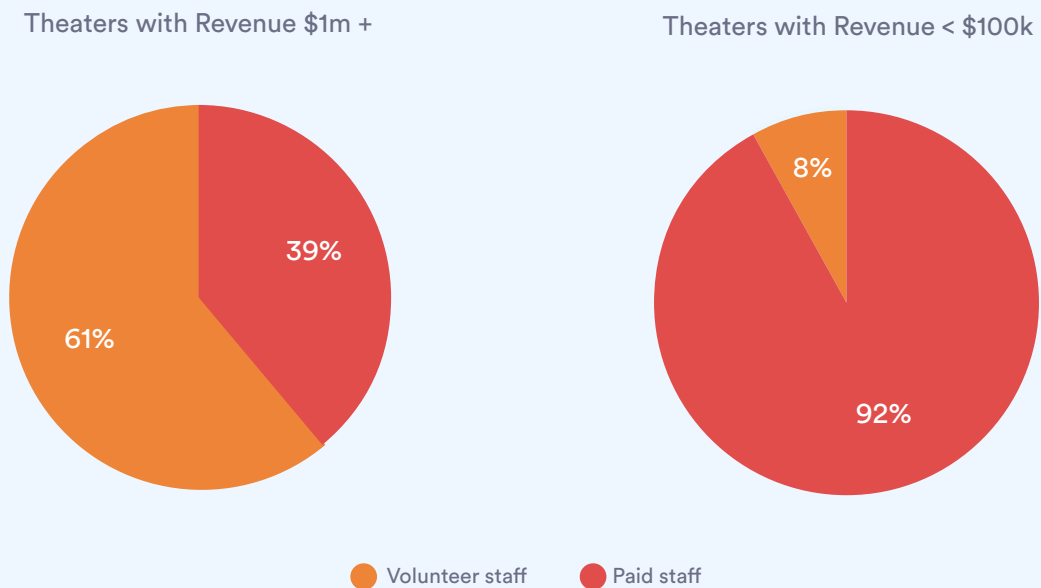


Figure 5.3: Theater Organization Volunteers





Soho Rep. – *Fairview*; Jackie Sibblies Drury (playwright); Sarah Benson (director); Raja Feather Kelly (choreographer); MaYaa Boateng (pictured); Julieta Cervantes (photographer)

REVENUE GENERATION AND EXPENSES

The small venue theater industry is host to a multitude of organizational models. These variations affect the mechanisms through which theaters secure funding, hire workers, and produce theater. Theaters with ample funding and revenue generation have freedom to hire full-time workers, while theaters that generate less revenue spend a higher percentage of income on operating expenses related to maintenance of physical space, such as rent.

The publicly available financial data on tax returns and industry data used to conduct the economic analysis within this study also provided information on the revenue and expense structure for many of the institutions included within the analysis. The way these institutions collect and spend their earnings provides valuable insight into how the sector operates on a day-to-day level, and thus is summarized here.¹⁰

Generally, organizations with smaller budgets (under \$100,000) rely much more on private contributions and government grants, and spend a significantly larger proportion of their income on rent, compared to those organizations with larger budgets (greater than \$1 million).

As indicated in the analysis, there is a wide diversity in the ways in which theaters function financially, with operating structure (i.e. theaters vs. production companies vs. theaters within a larger institution) and size of venue acting as key factors.

Non-profit Small Venue Theaters

To better understand the non-profit theater industry, organizations have been broken down into five budgetary tiers.¹¹ Larger organizations (with annual revenues greater than \$5 million) make up approximately 3% of the industry, but contribute 74% of the industry's revenue. Inversely, fundamentally smaller organizations (those with revenues under \$500,000) make up nearly two-thirds of the sector but contribute 26% to the industry's revenue.

Programming services, which include ticket sales and venue rentals account for 41% of revenues for non-profit theaters. An additional 41% comes from private contributions and grants. 10% of revenues come from other sources, such as merchandise and concessions. The remaining 8% of revenues comes from government grants.

Organizations with budgets of over \$5 million annually generate 42% of revenues from programming. Similarly,

organizations with budgets of between \$500,000 and \$5 million annually generate 38% of revenues from programming. Organizations with annual budgets of between \$100,000 and \$500,000 generate 26% of revenues from programming, on average, and organizations with annual budgets between \$100,000 and \$500,000 generate 37% from programming. Theaters with budgets of under \$100,000 typically generate 30% of revenues from programming. Theaters with smaller budgets generate between 60% and 72% of revenues through contributions and government grants. In comparison, larger organizations with annual budgets above \$1 million generate between 45% and 58% of revenues from grants. Larger theaters have capacity to generate higher revenues than smaller theaters due to their seating capacity and average ticket prices. As such, larger theaters are not as reliant on private contributions as theaters with smaller annual revenues.

On average, 58% of all expenses for non-profit small theater organizations are dedicated to salaries, benefits,

Figure 6.1: Number of Non-Profit Theater Organizations by Tier

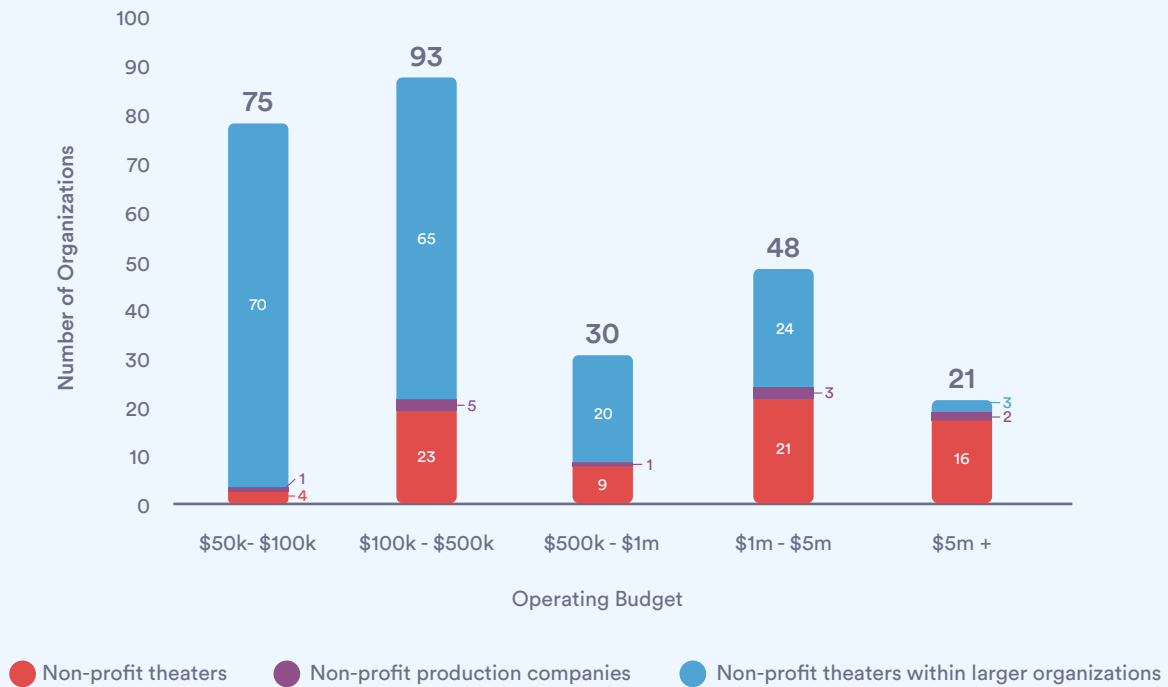
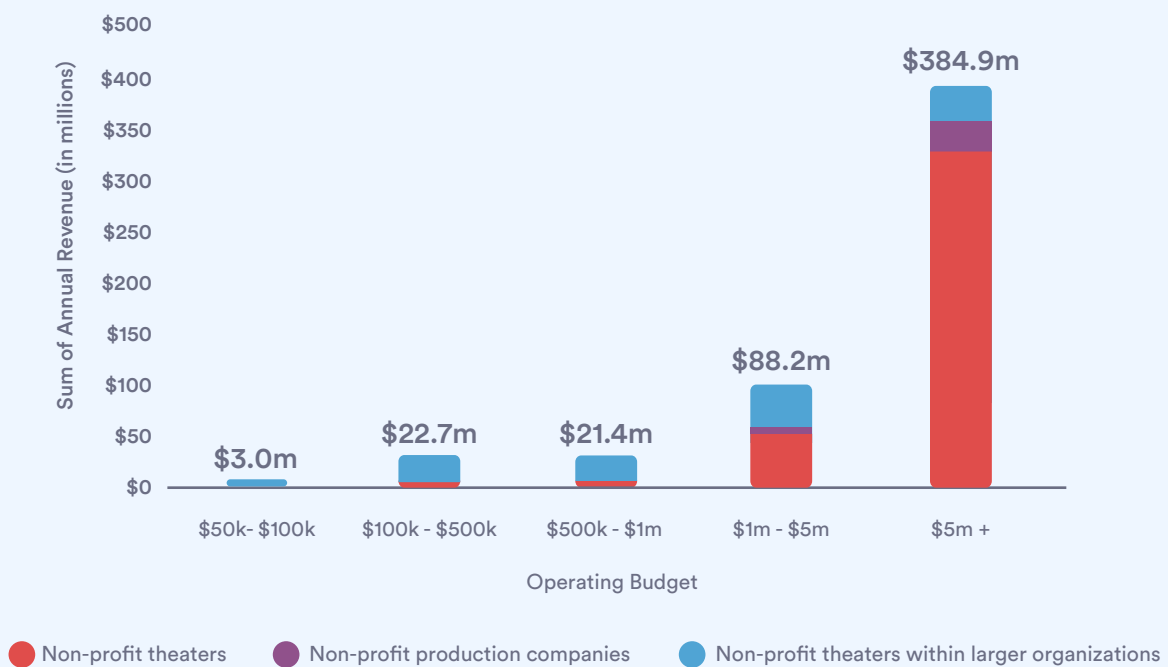


Figure 6.2: Sum of Annual Revenue of Non-Profit Theater Organizations by Tier





The Chocolate Factory Theater – *Ivy Baldwin Dance [Keen No. 2]*; Ivy Baldwin (choreographer); Brian Rogers (photographer)

Figure 6.3: Non-Profit Theater Revenue Composition

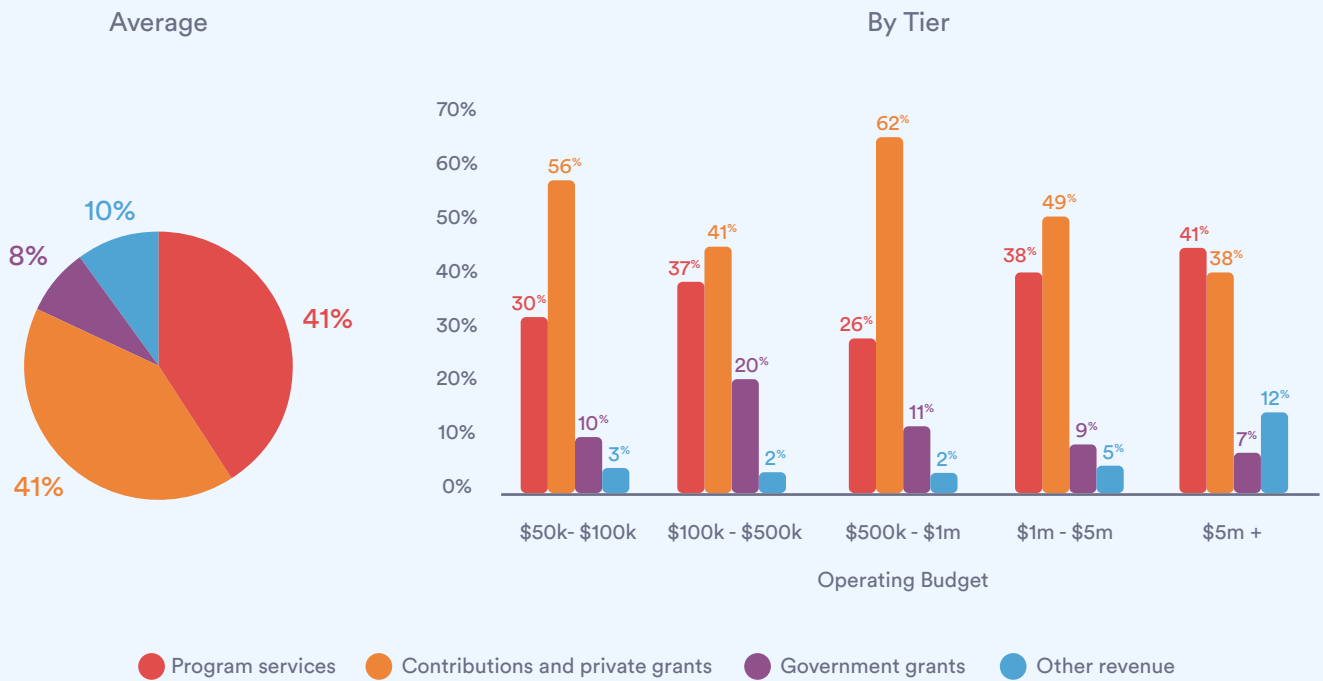
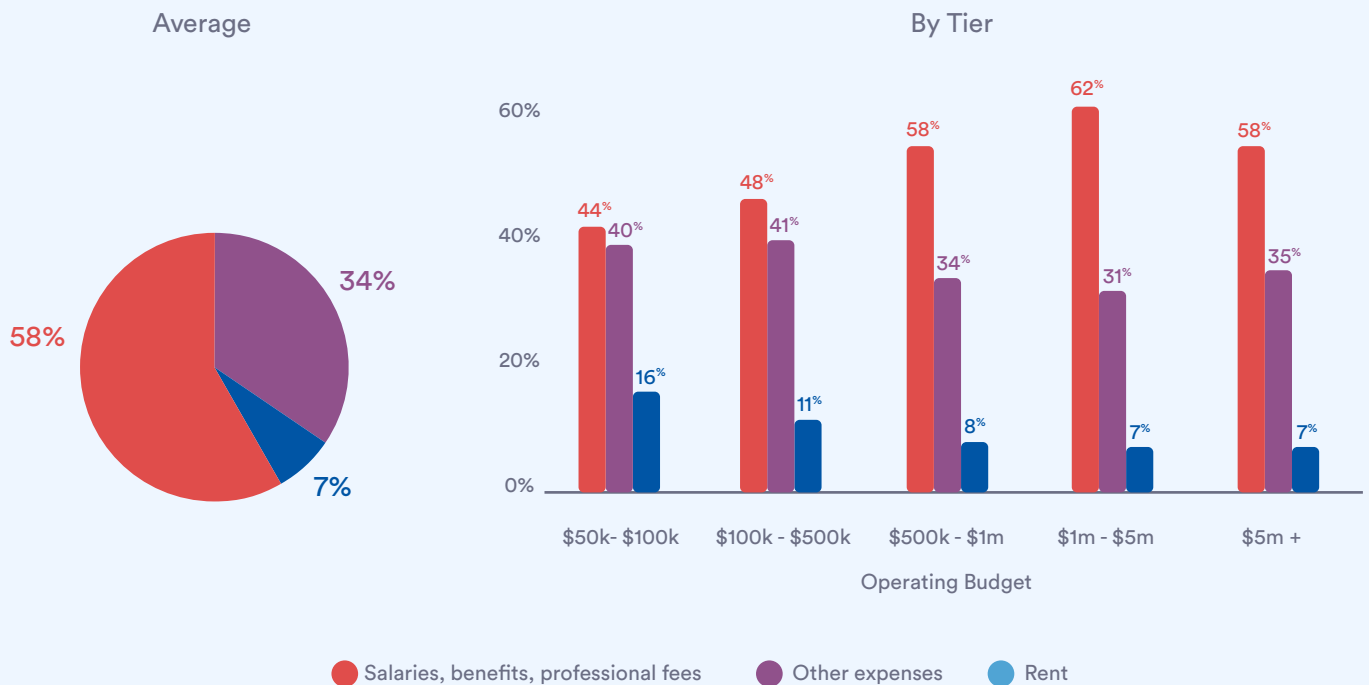


Figure 6.4: Non-Profit Theater Expense Composition



and professional fees, while 34% is dedicated to other production-related expenses. The remaining 7% is dedicated to rent. This is demonstrative of a lean, talent-centric industry focused primarily around worker’s labor.

Theater organizations with annual budgets above \$1 million expend a greater proportion of their annual budgets on annual expenses such as salaries, benefits and professional fees, representing approximately 58% for theaters with over \$5 million in revenue and 62% for theaters with revenues between \$1 and \$5 million. Organizations with budgets under \$1 million spend a significantly lower percentage of revenues on the same expenses, indicating that rents do not scale down as organization size shrinks and that larger organizations expend more resources on administrative staff.

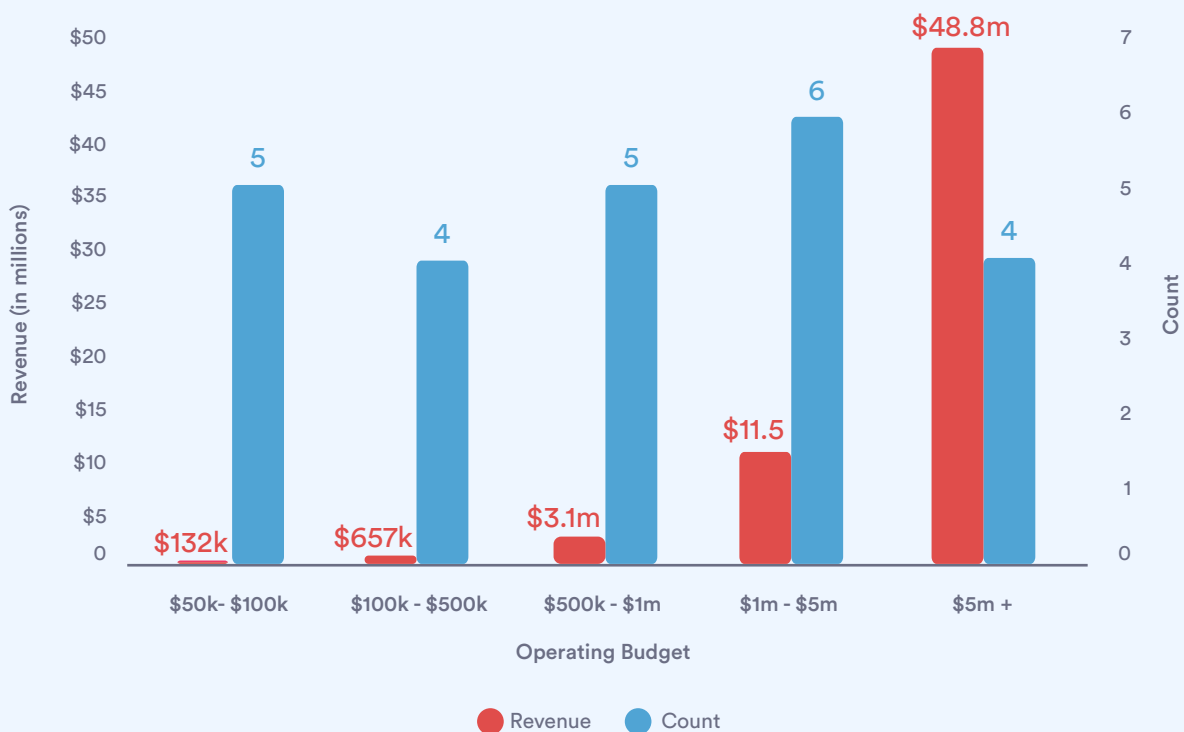
Commercial Small Venue Theaters

While commercial organizations only account for 3% of New York City’s small venue theater organizations, ticket sales and theater rentals suggest that the 21 commercial small theater venues generate approximately \$63 million in annual revenue, nearly 11% of the sector total. In comparison to non-profit organizations whose revenue composition is somewhat reliant upon private contributions and government grants, commercial theater organizations’ revenue is predominantly from programming (ticket sales).

Figure 6.5 shows the distribution of commercial theaters by revenue group. The number of theaters in each revenue bracket is relatively evenly distributed. However, the bulk of total revenue is among theaters with operating budgets above \$5 million.

The majority of New York City’s small theaters generate less than \$1 million in revenue annually. However, the bulk of revenue throughout the small venue theater industry is generated by a finite number of small theaters that bring in over \$5 million annually. Many small theaters are limited by their income when making hiring decisions and are reliant on part-time or volunteer work. Furthermore, theaters with higher revenues spend a larger portion of their income on employees, which further enforces that many small theaters are understaffed and would hire more employees if resources were available. Small venue theaters are resourceful and continuously find ways to propel the dramatic arts forward. However, theaters with the lowest revenues are particularly susceptible to staffing constraints, as the operating expenses associated with a physical venue make up the largest portion of spending relative to theaters that generate more income. ●

Figure 6.5: Commercial Theater Organizations by Tier





Beth Morrison Projects – *Angel's Bone*; Du Yun (composer); Royce Vavrek (librettist); photo courtesy of Hong Kong Leisure and Cultural Services Department

INDUSTRY SUPPORT AND CHALLENGES

The small venue theater industry delivers critical cultural and economic benefits to New York City and has a greater influence on the city's cultural character than ever before. Yet, small theaters face increasing challenges related to space provisions for production development and presentation, theater workforce and talent, funding, and revenue generation. The following section outlines the existing challenges facing small theaters and identifies opportunities to support the increasingly popular and ever-innovative industry.

Space: Access to Theaters

Given the nature of theater—a fixed-space, fixed-time activity—space is always a critical consideration for the small venue theater industry. Unsurprisingly, a theater's relationship to space is dictated by its operating model which tends to determine whether it owns its own venue (or holds a favorable lease), or if it is required to face the market for each production. Many permutations and combinations of the producing and/or presenting operational models, described in the Defining the Industry section beginning on page 15, exist across the sector. These include co-producing, self-producing, or enhancement funding, where a commercial producer subsidizes a production developed by a non-profit production company. A number of incubators also exist in the sector, which focus on fostering and developing the talents of emerging artists in the sector, particularly playwrights, including organizations such as The Lark and P73.

Often, theater organizations in New York that currently have their own dedicated venue have been the beneficiaries of public or outside support and strong relationships with property owners, local elected officials, and community organizations. For these theaters, access to long-term space acts as a source of stability and credibility, removing many challenges commonly faced with finding performance and, in particular, rehearsal space. For a number of these theaters, such as Pregones/PRTT in the Bronx and HERE Arts Center in Manhattan, among many others, having dedicated venues has allowed the organizations to operate with a diversified model that combines dedicated self-producing with curated presenting of productions from other companies and collaborators. The presenting theater model, where theater venues present work produced by outside production companies, offers flexibility as the venue owner is able to curate the programming.



Spotlight: HERE Arts Center

With the support of the City of New York and the Lower Manhattan Development Corporation, HERE purchased its long-time home in Hudson Square with two performance spaces, a lounge, and gallery. The venue allows them to have the right balance of their own productions and guest-presented work that is affordable, challenging, and alternative. The presenting side of their model allows them to rent their venue without overpowering their own work, creating additional stability for their work-in-progress showings, workshop productions, post-show artist talk-backs, and full productions.

Photo: *Soundstage*; Rob Roth (creator)

'Nomadic' theater production companies—those without dedicated space—are required to navigate their space needs on a project-by-project basis. Established organizations with existing relationships to venues, or who co-produce their shows with bigger institutions, have an easier time navigating the market. In some instances, lack of site-specific obligations can act as an advantage, allowing them to be more flexible and adaptive as an organization and to tailor space acquisition to the needs of each specific production. However, for newer, less established theater companies, this often acts as a burden, as they have fewer connections and available resources, and thus tend to find identifying suitable rehearsal and production space to be a consistent challenge.

Inter-disciplinary collaboration and production in spaces beyond traditional theater venues are common in New York City's small venue theater industry both for creative purposes and due to

availability and affordable performance space. Productions such as those developed through residency programs at the Park Avenue Armory and HI-ARTS, and those at the Kitchen, Performance Space New York, Creative Time, and the many immersive theater projects developed at spaces across the city test the boundaries of dramatic arts and reinforce the value of collaborations between visual artists, dancers, video artists, and other diverse media forms. This component of the sector has been expanding since the 1980s with the increased development of multi-media and video work.

Theater Closures

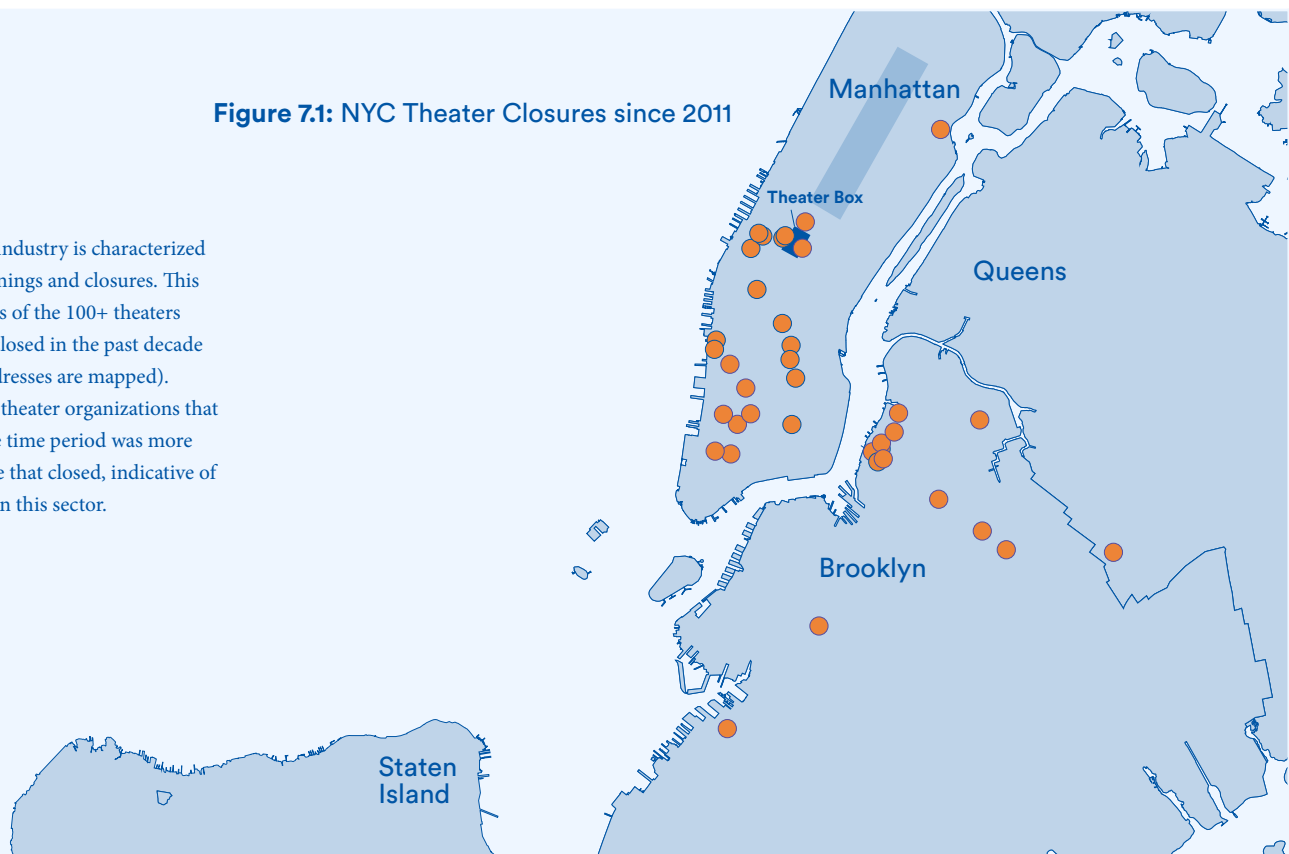
There is significant turnover in the sector, with many smaller companies opening and closing each year, or active in semi-regular 'bursts', such as when a production opportunity emerges. While some of this turnover can be attributed to natural industry cycles, the rapidly increasing costs of real estate has had a remarkably adverse impact

on small theaters. It has contributed to the closure of over 100 of theater organizations (as seen in Figure 7.1 NYC Theater Closures since 2011), in neighborhoods that have seen extremely rapid commercial and residential rent growth in the last decade including Soho, Greenwich Village, and the East Village in Manhattan, but also parts of Brooklyn, such as Williamsburg. Most of the mapped closures are small and mid-sized theaters.

The industry is growing in spite of closures. Since 2011, 100+ theater organizations have closed, including 37 venues. During that same period, more than 280 theater organizations have opened including affordable multiplex theaters such as The Flea Theater, ART/ NY Theatres, BAM Fisher, and St. Ann's Warehouse. Additionally, small theaters opened such as The Bushwick Starr, Chocolate Factory Theater, and Claire Tow Theater at Lincoln Center.

Figure 7.1: NYC Theater Closures since 2011

The small venue theater industry is characterized by a constant flux of openings and closures. This map represents 37 venues of the 100+ theaters organizations that have closed in the past decade (those with recorded addresses are mapped). However, the number of theater organizations that opened during that same time period was more than double (280+) those that closed, indicative of the significant turnover in this sector.



Space: Ongoing Operations

Theater companies that specialize in highly-technical shows or shows with elaborate sets find navigating space to be a consistent challenge due to their specific needs. Few complete web-based resources exist to assist organizations in finding suitable spaces. There is also indication that more progress needs to be made in ensuring venues are physically accessible and sensory-friendly.

As indicated earlier, a theater's cost of space is directly related to the organization's relationship to that space through ownership or lease terms. While a favorable lease or outright ownership indicates lesser occupancy costs, theaters must continue to spend on day-to-day upkeep and maintenance of their venue. Maintenance and construction costs have been on the rise throughout New York City—an issue that many other industries are also forced to tackle. In addition to costs associated with venue maintenance, many small theaters

struggle to navigate the regulatory environment of construction permits, zoning, and building regulations.

Workforce

From the outset of concept development through a play's closing night, a range of creative, technical, and administrative workers are involved in the various stages of the production process. The amount of staff involved in a production depends upon the scale and scope of the show. Smaller productions are often required to be more nimble, with many taking on more than one role, whereas larger productions tend to have larger and more specialized teams.

Depending on whether a theater venue acts as a producing or presenting theater, the creative team will either be part of the theater organization, part of the production company, or contracted by either of the two, on a short- or long-term basis. Performers tend to be freelance and are usually hired for specific

productions. However, a small number of the larger, more established theater venues have longer-term contracts with some performers. In many cases, and in particular with the smaller theaters, the relationship between production companies and theater venues may be more nuanced and collaborative. For example, the presenting theater might take on a role as producer, finding funding sources or providing artistic direction, as required.

The theater industry, by nature, is extremely varied and creative, and its working structures are no different. Modular staff models, partnerships, and production structures give many throughout the industry flexibility to adapt staff based on the needs of the performance venue and production itself. This model allows for theater-makers to nimbly draw upon the most talented pool of theaters-makers in the world.

Spotlight: Theater Renovations

Atlantic Theater Company

Originally built in 1870 as a church, the Atlantic Theater Company (ATC) was completed in 2012 after the renovation of ATC's Linda Gross Theater. The project entailed interior and exterior upgrades including new restrooms, an expanded lobby and seating area, a larger stage, improved disability access, and a new roof. In aggregate, the project cost \$10 million, \$2.9 of which was funded by a grant from the City government.

BAM Fisher

The 45,000 sf 7-story building was completed in 2012 and includes a black box theater, rehearsal/workshop space, front and back of house operational spaces, a rooftop event space, and functional office space for the organization's education program. The project cost a total of \$43 million and included \$32 million in City funding.

La MaMa

The gut renovation of the La MaMa theater building is currently under construction and includes a new facade, two black box theaters, new building systems, expanded lobby and ADA accessibility, a cafe, and rehearsal space. The total project cost is \$16 million and includes \$12.4 million in City funding.

St. Ann's Warehouse

Originally built in 1860, the conversion of DUMBO's Tobacco Warehouse into a 25,000 sf theater was completed in 2015. The conversion included a main performance space to accommodate the productions, festivals, and larger events of St. Ann's and its cultural partners, as well as a dedicated smaller venue for rehearsals, small scale performances, meetings, educational programs, and activities that reflect the needs of local community groups. The project cost \$31.6 million, \$16.05 million of which was City funded.

Employment and Wage Requirements

As the economic impacts section beginning on page 27 of this study highlights, the small venue theater industry employs a vast number of workers locally and is a critical source of work for many local artists in the dramatic arts industry. The nature of this employment is varied and diverse, both on the production side and within theater venue organizations. Those working in professional theater may end up joining one or more of the various theatrical unions, or may interact with union members.

There are numerous unions or professional organizations that play a role in the small venue theater industry. Contracts for unionized venues and members vary depending on whether a venue is operating as commercial or non-profit, or is a hybrid of the two as in the case of theaters within institutions. These unions include Actors' Equity Association (Equity, or A.E.A.) representing actors and stage managers; American Federation of Musicians of the United States and Canada (AFM/AFofM) representing professional instrumental musicians, in New York by Local 802; The Dramatists' Guild of America, known as the Guild, the D.G.A., and the Dramatists Guild, the professional organization for playwrights, librettists, composers, and lyricists; International Alliance of Theatrical Stage Employees (I.A.T.S.E.) whose members work in the theater, film, and TV that represents backstage workers, electricians and operators, among others, and affiliate United Scenic Artists (U.S.A.), the labor union for designers, artists, and craftspeople in the entertainment and decorative arts industries; and The Stage Directors and Choreographers Society (SDC), representing professional stage directors and choreographers.

Some theatrical unions and professional organizations in New York City form partnerships to undertake initiatives that serve local industry and are given City government support. A model program created by Roundabout Theatre Company, *Theatrical Workforce Development Program* (TWDP), now in its third year, is an example of this. A partnership founded with mentor members of I.A.T.S.E. and SDC unions, with a wide base of local theater employment partners across the city, the program enlists young and diverse New Yorkers seeking careers in the theater industry throughout the five boroughs in a multi-year paid training program that, upon completion, gives them the professional skills to work in the industry and if desired, apply for union membership.

Theatrical unions make it possible for hundreds of thousands to make their living on professional stages in the city, set safety standards, and ensure that those who work in the theater are treated fairly. Nevertheless, as is the case with many aspects of operating and/or working in small theaters with modest budgets, union compensation requirements may be challenging to achieve or limiting for some organizations. More information on common theatrical unions and professional associations can be found in the Appendix on page 53.

Revenues

Due to their size, small theaters are uniquely positioned to generate revenue in a number of different ways. Revenue structures for theaters are contingent on theater type and operating model. Commercial for-profit theaters operate such that venue owners generate revenues primarily through renting their venue to producers, who generate their income through show revenues,

primarily ticket sales. Non-profit theaters, like non-profits in a number of other industries, generate their revenues from a wide variety of both earned and contributed sources. In this sector, earned sources include performance-based (including ticket sales and subscriptions), other programming (such as education programs), and rent (if they own their own venue or hold a long lease), while primary contributed sources include board member and foundation support, corporate sponsors, individual donors, and government. The proportion varies widely by organization, but broad trends are seen across the sector, with larger and more established institutions able to draw more from earned revenue, such as ticket sales and venue rentals, and smaller, community-based organizations and institutions more reliant on contributed revenue, such as grants.

Heavy reliance on both public and private contributions can be burdensome to theater companies, particularly in terms of program scheduling, as funding sources fluctuate greatly year-to-year, and are strongly tied to more macro-scale economic cycles. Additionally, the processes of applying for grants and maintaining strong relationships with donors places a heavy resource pressure on small venues with few paid employees.

Performance-Based Revenue

Ticket-based sales make up only a portion of revenue for non-profit theaters. On average, performances themselves make up only 41% of all revenue for non-profit small theaters.

Broadly, this share has decreased in recent years. There is a reluctance on the part of many institutions to raise ticket prices, due to the fact that it would violate the equity mission of many

organizations and may deter audiences from attending performances. In recent years, larger theaters have transitioned away from subscription-based ticketing, as audience preference has shifted away from individual institutions and toward industry-wide exploration. However, subscription models have seen success at theaters curating content for specific demographic groups, such as for children and young families.

Other Programming

A number of theaters offer programming beyond traditional theater performances. These are often a result of community demand, such as educational programming, and the mission of the organization itself to stimulate conversation around a certain topic. The Apollo Theater has developed streaming content programs, The Tank organizes festivals, and The Theater Breaking Through Barriers develops classes and educational programming as a way to expand their mission and provide additional contributions to the New York City dramatic arts and performing industry.

These initiatives may generate revenue, but this is typically modest and often cross-subsidized by other revenue sources. Mission-based education programs present unique opportunities to foster relationships with local communities, as well as provide City government an opportunity to foster partnerships between production companies, performance spaces, and City-backed educational programs. However, alternative uses of space require additional programming that some small venue theaters do not have the resources to support and organize.

Contributed Revenues

Foundation Funding

A number of high-profile foundations have long supported the local small venue theater sector, such as the Howard Gilman Foundation and the Andrew Mellon Foundation. Their financial support has long been a key source of revenue for the sector. Established institutions at a mid-tier scale (\$250,000 to \$2 million) have indicated that foundation support has been critical in their survival and development. Multi-year grant funding structures are particularly beneficial as they enable organizations to plan operations and programming budgets across multiple years. However, newer and less established theaters have expressed more difficulty in tapping into foundation funding. They are often required to prove their credibility and consistency as part of an extensive grant application process. Given their limited organizational capacity and limited track record, this requirement has put these theaters at a disadvantage. Funding cannot be procured before a company is established, yet funding is needed to scale up. However, a number of small theaters have indicated that industry organizations, such as the Alliance for Resident Theaters New York (A.R.T./New York Theatres), have been instrumental in providing the necessary support to pursue foundation funding.

It has also been suggested by various theaters that recent rounds of foundation funding have become more competitive. Funders are increasingly prioritizing a multitude of social benefit missions beyond theatrical performance alone in order for small theaters to be competitive for substantive funding.

Government Funding

Many theaters in the sector receive regular support from New York City Department of Cultural Affairs (DCLA)



Spotlight: Theater Breaking Through Barriers (TBTB)

TBTB is the only Off-Broadway theater organization dedicated to advancing artists and developing audiences of people with disabilities and altering the misperceptions surrounding disability by demonstrating that disability does not affect the quality or integrity of art or artists. With the support of the NYC Create-Disability Forward Fund from the Department of Cultural Affairs, TBTB hosts the Playmakers Intensives, a week long opportunity for groups including those with disabilities to meet, write, rehearse, and present new plays. Photo: *The Artificial Jungle* at Clurman Theatre; Charles Ludlam (playwright); Anthony Michael Lopez, Anita Hollander, and David Harrell (pictured)

Multi-year grant funding structures are particularly beneficial as they enable organizations to plan operations and programming budgets across multiple years.

and New York State Council on the Arts (NYSCA), as well as Federal funding from National Endowment for the Arts (NEA). The consistency of the funding is useful support of the budget of many institutions, organizations and theater companies working here, particularly at the grassroots level. In FY19 alone, DCLA provided \$45.6 million in expense and operating support for 383 organizations working in theater and/or multidisciplinary arts. This represents close to 23% of DCLA’s FY19 overall expense budget. As the largest arts funder after the federal government, DCLA continues to make a major commitment to support the small theater industry.

Since 2000, in addition to operational and expense support, DCLA has provided funding for some 50 theater-related construction projects throughout the city. More than half of these theaters and spaces requested and received funding in the \$10 million range each. In addition, more than 55 small venue theaters and organizations received funding for equipment. Moreover, NYSCA has also contributed to capital improvements of New York City theaters and institutions. In addition to the operating and capital funding that DCLA

provides, the City’s *Materials for the Arts Program* distributes a total of \$10 million in supplies to arts groups annually. Though funding and awards may provide essential support and help draw recognition of merit to those working in this industry, the industry is aware it must look beyond government funding to adequately meet its diverse needs and to sustain growth.

A long history of relationships exists between local theaters and companies and City and State elected officials, arts councils, and community organizations in their districts. The five Borough Presidents, Members of the State Assembly, and City Council Members systematically award funds to constituents creating theater and arts programming in the neighborhoods they oversee. This is a way individual City government officials can support the work being created in their local theaters and cultural centers and invest in local artists and companies.

Donors and Individual Giving

While donor contributions have long been a source of revenue for theaters, in the face of flattening revenues from ticket sales in recent years, a number



Spotlight: Pregones / PRTT

Pregones/PRTT is a multigenerational performing ensemble, multidisciplinary arts presenter, and steward of bilingual arts within both their Bronx and Manhattan theaters. They have a rich history of bringing bilingual Puerto Rican/Latinx theater to New York City and communities that historically had scarce access to theater. They have helped develop hundreds of diverse-heritage and underrepresented artists through their residency programs. They use a variety of strategies to reach their audience from conducting their own community outreach, to providing free programming for seniors and schools, as well as utilizing online platforms to reach a wider array of visitors. Photo: *Fly-Babies*; Rosalba Rolón (director); Jesús Martínez (pictured); Erika Rojas (photographer)

Figure 7.2: Selected Foundation Funding

Foundation	Examples of Recent Funding	2019 –2020 Recipients
Andrew W. Mellon Foundation	Name: New York Theater Program Grants: \$30,000 –\$186,000 / 3 years	36 NYC-based theatrical organizations with budgets of \$50,000 –\$3m annually
Howard Gilman Foundation	Name: General Funding Grants: \$10,000 –\$250,000 / year	180 NYC-based performing arts organizations, presenters, and service organizations with budgets that exceed \$250,000 annually

of small theaters have become more aggressive in pursuing this source, which takes time to cultivate and develop. For some theaters, one well-connected or well-funded board member can have a significant impact on the ability to raise needed funds. Additionally, there are potential limits as ‘giving fatigue’ can take hold, with the sheer number of arts (and non-arts) organizations locally and nationally seeking funding. Corporate donors, relatively limited in this sector, tend to channel their funding to middle or larger tier organizations, and focus on those with a mission-driven or geographic compatibility, such as Chocolate Factory Theater receiving support from Long Island City neighbor JetBlue.

Audience Development

It is widely acknowledged across the small venue theater industry that audience retention and attraction is a major challenge. The increased density of theater performance options throughout the city on a given night, combined with the proliferation of at-home entertainment services, has made it even more challenging for productions to gain visibility and attract audiences. Furthermore, with the absence of print

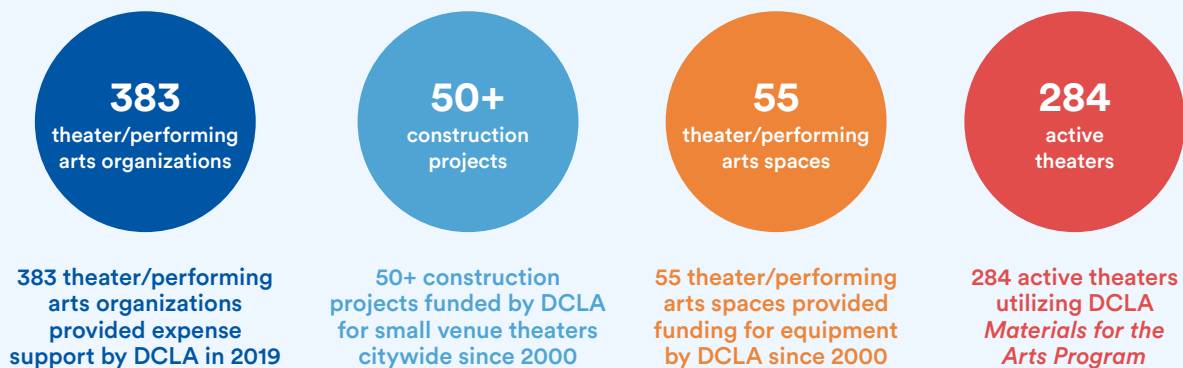
media outlets that historically reviewed small venue productions on a regular basis, many productions face challenges when advertising their shows. Some remaining outlets have criteria in reviewing performances, including length of run and geography, which could place a burden on a sector that, as opposed to Broadway, is geared toward local residents rather than tourists. As a result, newer and less-known theaters bear a considerable burden, as the cultivation of an audience base relies heavily on word of mouth and social media, as well as critical review.

In order to address this, theaters are adopting a wide variety of strategies and tools. These include using innovative marketing efforts, leveraging social media and online platforms to target younger demographics that may not traditionally find their way to the theater, initiating strategic partnerships across theaters within the sector, such as co-producing, or neighborhood-oriented partnerships like in the historic South Village, below Washington Square Park, and utilizing the existing and growing number of listing platforms. When successful, these efforts not only boost ticket sales but also achieve a broader

goal for a number of theaters, which is to increase inclusivity by cultivating audiences who have historically been underrepresented in the theater, including people of color, people with disabilities, and younger audiences. Theaters are looking to be more rooted in a specific place, deeply embedded in the local framework and engaged with local communities.

In conclusion, the small venue theater industry is seeing challenges and opportunities related to space and equipment, workforce, revenue generation, fund-raising, and audience development. Through it all, small theaters' cultural and economic impacts are increasingly important to the larger dramatic and performing arts industry of New York City. Theater arts practitioners and policymakers working in the field are well-positioned to continue to support a thriving small venue theater industry that advances cultural innovation, reinforces the depth of talent in the sector, contributes substantially to the city’s economy, and provides benefits to diverse audiences and communities across the city. ●

Figure 7.3: NYC Department of Cultural Affairs (DCLA) Funding and Support



RECOMMENDATIONS

The small venue theater industry is a critical element of the city's artistic community and is supported by an unparalleled community of passionate creatives and theatergoers. That said, the industry is in need of appreciable support and partnerships. Local government has a tremendous opportunity to support the industry through the following approaches that are based on the analysis presented in this study:

Geography: Given New York's evolving real estate dynamics and a renewed citywide focus on cultural equity and innovation centers, opportunities for City support could target boroughs outside Manhattan, helping to facilitate partnerships with grassroots organizations facing unique challenges given their location and their often-expanded role as a community-focused cultural hub.

Marketing: The City could explore supporting promotional and awareness campaigns that spotlight small venue theaters thereby helping to cultivate audiences.

Industry Partnerships: The City could convene sessions to introduce potential partners and mentors who might demonstrate methods of mining critical resources for smaller, newer theaters, who often have limited organizational capacity to dedicate to the fundraising process.

Theater Venues: The City might coordinate as necessary across agencies (MOME, DCP, EDC, DCLA, DOT) to

delegate a direct contact within City government that can support issues surrounding theater owners and operators when they face regulatory and/or operational and maintenance issues.

Employment and Labor: The City should build on existing workforce development training partnerships that provide pipelines to employment and/or union membership for young New Yorkers and find ways to support smaller theater companies with their labor needs, offering a fair wage and on-the-job paid training during productions, as the skills needed and costs have increased considerably in recent years.

The aforementioned initiatives are just a few of many mechanisms that could have a significant impact on the small venue theater industry. The demand for smaller theater venues and the programming within them is higher than ever. The City can take steps to help sustain the industry and ensure its prolonged growth and survival, further solidifying New York City as the global capital of profound and significant performing arts. ●

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CONCLUSIONS TO THE STUDY

New York City's small venue theater industry is as integral to the city's artistic character as ever. It is a valuable economic asset to a thriving community of creatives who call this city home, and it continues to set the global standard for cutting edge performance—inspiring productions that transcend geography and artistic medium. Despite its importance and growth in recent years, many theaters are faced with significant challenges as they attempt to push the boundaries of the dramatic arts.

Theaters are constantly faced with the harsh reality of rising real estate and operating costs, making it increasingly difficult to create affordable environments for productions and rehearsals. Additionally, rising costs constrict already small budgets that inhibit hiring much needed staff. Small theaters are also faced with the decline of traditional advertising mediums and have often resorted to transitioning to new forms of digital marketing. While these new tools can be effective, traditional media

outlets reach expanded demographics and help shed light on a vibrant theater industry beyond Broadway.

Despite these challenges, the industry continues to generate moving and innovative works of theater. With the right support, leadership, and partnerships within the sector itself, the small venue theater industry is poised to become an even greater attraction for local residents and cultural tourists alike. ●

"The inspiring level of innovation our artists display is what keeps us going within this sector."

Susan Bernfield, New Georges



Roundabout Theatre Company – *Too Heavy for Your Pocket*; Eboni Flowers, Nneka Okafor (pictured); Jeremy Daniel (photographer)

APPENDIX

Methodology for the Economic Analysis

In order to holistically appraise the impact of the small venue theater industry, a bespoke methodology was drawn together, which sought to encapsulate the industry's complexity, while also acknowledging its inherent interconnectedness with other artistic disciplines. This complexity is the result of an industry that is largely composed of very small organizations operating below the threshold requiring official fiscal status, thereby operating in an informal or semi-informal manner. Further, the industry is strongly entangled with other artistic disciplines including dance, stand-up comedy, circus, opera, and music, which adds an additional layer of intricacy.

This economic study gathered a database of small venue theater organizations, assembled financial data associated with these specific organizations through tax forms and other industry databases, and used IMPLAN (the industry standard economic analysis tool) to calculate the indirect and induced impacts. The study assumes that revenues declared in tax forms for non-profit organizations and ticket sales revenues for commercial organizations form the basis of the industry's annual direct economic impact.

Industry Sizing – Database

The study focuses on two organization types: theaters, including those within larger organizations, and production companies. In order to remain within the study's scope, the production companies included in the database

are those that have a primary focus on theatrical production. The database excludes dance companies, stand-up comedy, magic shows, bands, and opera companies. With regard to performance venues, the database includes independent theaters, with one or more stages, as well as theaters which are part of larger organizations, including universities, community colleges, cultural centers, drama schools and churches. While the vast majority of performance venues are formal theater establishments, a small number of them, those presenting immersive shows are more informal in nature (without a formal stage).

Given the unique nature of the industry, using a standardized database such as IMPLAN (which uses NAICS codes) for estimating the size (in terms of direct economic output and jobs) was not feasible, as the most relevant industry in the IMPLAN database was 'Performing Arts Companies,' which includes significantly more organizations than the ones relevant for this study (such as Broadway, Dance, Music, Comedy, etc.). Hence, the database of organizations for this study was built from scratch using a variety of web sources, which catalogue and promote theaters and performance venues, including Theater Mania, Broadway World, Playbill, Show Score, and Time Out, as well as through various other industry databases including the Alliance for Resident Theaters New York, Off-Broadway League, Off-Broadway Alliance, and Indie Space's database of production companies.

Economic Data Collection

Non-profit Theaters

Generally, a non-profit theater that is recognized by the IRS as a tax-exempt organization under Internal Revenue Code section 501(c)(3) is required to file an annual tax return on IRS Form 990. A Form 990 includes information about revenues, expenses, number and salaries of employees, board members, and other financial data.

The study includes financial information about individual small theaters that filed Form 990s for tax year 2017 from Guidestar.com, a website that aggregates information about non-profits. (Because theaters' tax years vary according to an organization's accounting, the information in Form 990 tax returns for tax year 2017 covers roughly, but not exactly, the same time periods.) The study used information in the Form 990s for tax year 2017 to discern the revenue and expenses breakdown, which subsequently helped to calculate the economic impact of the industry and analyze revenue and expenses in detail. For about half of the small theaters that filed Form 990s for 2017, the study includes information from Form 990s for the tax years 2014, 2015, and 2016. The study used this information to estimate growth in the industry's economic output, jobs, and wages.

Some non-profit small theaters are not required to file Form 990s even though they have obtained 501(c)(3) recognition because they normally have annual gross receipts of less than \$50,000.

Others have not applied for 501(c)(3) recognition from the IRS; some of these theaters operate under a fiscal sponsor, such as Fractured Atlas, in order to obtain some benefits provided to tax-exempt organizations (e.g., grant eligibility). Although there may be several reasons why a non-profit organization does not file a Form 990, for the purposes of this study, the analysis is based on an assumption that non-filing small theaters normally have annual gross receipts of less than \$50,000.

Commercial Theaters

With regard to the commercially-run organizations, show-specific data for the year 2017 was collected through the Off-Broadway League industry platform. This data was allocated to the venues in the organization database and data for the outstanding 2017 shows were estimated. This was calculated using average ticket price (available through TDF, GoldStar, Commercial Observer, Wall Street Journal, and Broadway World), number of shows in 2017, venue capacity, and an estimated occupancy of 65% (based on known 2017 Off-Broadway shows). For exclusively presenting theaters, rent was calculated, in lieu of ticket sales, based on publicly available space rental rates, and an assumption of 50% occupancy throughout the course of a year.

Data Analysis

As mentioned earlier, this study assumes that the annual economic output for non-profit organizations is composed by an organization's reported revenues in IRS-990 forms, while for commercial organizations it is composed of ticket sales or rental revenues. Knowing that certain performance venues, particularly those belonging to larger organizations (e.g., BAM), offered a wider variety of artistic programming, beyond theater alone,

the theater-specific programming was disaggregated. This was done firstly by contacting the venues independently. Certain non-profit organizations contacted only made available either their annual revenues or their annual expenses. In this case, it was assumed that revenues equal expenses and vice-versa. Where specific information was not made available, estimates were made based on available 2017 programming information.

Indirect and Induced Impact

To model indirect and induced impacts, one needs to estimate the impact of business-to-business activity between the small venue theater industry and organizations outside of it, along with the impact of spending by employees of these affected industries. The most common, and widely accepted methodology, to do this is using IMPLAN (a commercial platform that uses 'input-output' models to assess cross-industry effects by using historical data to predict how different sectors relate to one another, and how output from one sector serves as input to another).

In a typical IMPLAN model (that analyzes industries made up of for-profit companies), a certain amount of the economic output is assumed to go to shareholders as profits and to different levels of government as taxes (and hence is taken out of circulation in the economy). However, since the small venue theater industry is largely made up of non-profit organizations, such assumptions didn't hold true since non-profits do not distribute profits to shareholders. Hence the analysis had to be split in two parts—one that only used the estimated economic output from commercial theaters to calculate the indirect and induced impact, and the other that used a more nuanced

approach for non-profit theaters to account for the fact that revenue generated by these non-profits are circulated within the economy (as wages and other intermediary expenses) as opposed to leaving the economy in the form of taxes and income for shareholders.

The indirect and induced impact analysis breakdown by each impacted category for economic output and jobs are included at the end of this section.

Limitations

The revenues of a large number of smaller, non-profit production companies that normally have annual gross receipts under \$50,000 or have a fiscal sponsor (such as Fractured Atlas) were not included in the estimated economic output, since these organizations do not file Form 990s.

Theaters within higher education institutions, such as the Schimmel Center at Pace University and the NYU Skirball Center for the Performing Arts, are not included in the study because of the barriers to obtaining accurate information specific to theatrical performance.

Regarding commercial theaters, the assumption that ticket sales are equivalent to total economic output, presumes that the theaters act as production companies. As a result, the estimated economic output does not account for rental revenues of presenting theaters, or for concessions. ●

Indirect Economic Impact by Impacted Category - Output		
1	Independent artists, writers, and performers	\$132,721,823
2	Real estate	\$78,432,041
3	Promoters of performing arts and sports and agents for public figures	\$35,223,140
4	Management consulting services	\$23,823,935
5	Advertising, public relations, and related services	\$17,457,370
6	Employment services	\$16,749,291
7	Insurance carriers	\$14,703,335
8	Management of companies and enterprises	\$12,788,848
9	Accounting, tax preparation, bookkeeping, and payroll services	\$12,164,106
10	Internet publishing and broadcasting and web search portals	\$9,141,053
11	Legal services	\$7,211,962
12	Radio and television broadcasting	\$7,181,918
13	Non-depository credit intermediation and related activities	\$6,509,434
14	Other educational services	\$6,065,532
15	Insurance agencies, brokerages, and related activities	\$6,055,823
16	Office administrative services	\$5,975,867
17	Other personal services	\$5,974,780
18	Wholesale trade	\$5,458,076
19	Cable and other subscription programming	\$5,272,953
20	Electric power transmission and distribution	\$5,153,262
21	Monetary authorities and depository credit intermediation	\$4,542,295
22	Wired telecommunications carriers	\$4,388,740
23	Environmental and other technical consulting services	\$3,938,908
24	Printing	\$3,776,737
25	Couriers and messengers	\$3,730,603
26	Periodical publishers	\$3,537,443
27	Wireless telecommunications carriers (except satellite)	\$3,398,706
28	Scenic and sightseeing transportation and support activities for transportation	\$3,276,073
29	Commercial and industrial machinery and equipment rental and leasing	\$3,104,649
30	Architectural, engineering, and related services	\$2,665,683
31	Others	\$62,230,702
	Total	\$512,655,088

Indirect Economic Impact by Impacted Category - Jobs		
1	Independent artists, writers, and performers	2,311
2	Real estate	259
3	Promoters of performing arts and sports and agents for public figures	185
4	Management consulting services	167
5	Advertising, public relations, and related services	132
6	Employment services	129
7	Insurance carriers	115
8	Management of companies and enterprises	75
9	Accounting, tax preparation, bookkeeping, and payroll services	56
10	Internet publishing and broadcasting and web search portals	41
11	Legal services	39
12	Radio and television broadcasting	35
13	Nondepository credit intermediation and related activities	33
14	Other educational services	31
15	Insurance agencies, brokerages, and related activities	27
16	Office administrative services	25
17	Other personal services	24
18	Wholesale trade	21
19	Cable and other subscription programming	20
20	Electric power transmission and distribution	20
21	Monetary authorities and depository credit intermediation	20
22	Wired telecommunications carriers	20
23	Environmental and other technical consulting services	19
24	Printing	18
25	Couriers and messengers	17
26	Periodical publishers	17
27	Wireless telecommunications carriers (except satellite)	16
28	Scenic and sightseeing transportation and support activities for transportation	15
29	Commercial and industrial machinery and equipment rental and leasing	14
30	Architectural, engineering, and related services	14
31	Others	281
	Total	4,195

Induced Economic Impact by Impacted Category - Output		
1	Owner-occupied dwellings	\$25,946,773
2	Real estate	\$14,698,380
3	Hospitals	\$12,717,063
4	Wholesale trade	\$8,282,501
5	Insurance carriers	\$7,374,169
6	Monetary authorities and depository credit intermediation	\$6,281,091
7	Offices of physicians	\$5,896,008
8	Limited-service restaurants	\$5,652,681
9	Other financial investment activities	\$5,119,177
10	Junior colleges, colleges, universities, and professional schools	\$4,580,447
11	Full-service restaurants	\$4,302,544
12	Retail - Nonstore retailers	\$3,981,877
13	Electric power transmission and distribution	\$3,273,290
14	Legal services	\$3,159,388
15	Wired telecommunications carriers	\$3,119,659
16	Funds, trusts, and other financial vehicles	\$3,111,419
17	Retail - Food and beverage stores	\$2,901,395
18	Other local government enterprises	\$2,731,335
19	Wireless telecommunications carriers (except satellite)	\$2,550,347
20	Air transportation	\$2,502,473
21	Non-depository credit intermediation and related activities	\$2,269,532
22	Management of companies and enterprises	\$2,098,490
23	Retail - Clothing and clothing accessories stores	\$2,076,648
24	Offices of other health practitioners	\$2,015,941
25	Retail - General merchandise stores	\$1,956,779
26	Individual and family services	\$1,920,217
27	Securities and commodity contracts intermediation and brokerage	\$1,874,395
28	Home health care services	\$1,855,861
29	Offices of dentists	\$1,827,854
30	All other food and drinking places	\$1,804,316
31	Others	\$59,805,903
	Total	\$207,687,952

Induced Economic Impact by Impacted Category - Jobs		
1	Hospitals	65
2	Full-service restaurants	61
3	Real estate	48
4	Individual and family services	47
5	Limited-service restaurants	47
6	Home health care services	45
7	Offices of physicians	41
8	Personal care services	39
9	Retail - Food and beverage stores	37
10	Other personal services	35
11	Junior colleges, colleges, universities, and professional schools	34
12	All other food and drinking places	32
13	Wholesale trade	30
14	Child day care services	26
15	Other educational services	24
16	Offices of other health practitioners	23
17	Retail - General merchandise stores	21
18	Religious organizations	20
19	Retail - Nonstore retailers	20
20	Private households	18
21	Elementary and secondary schools	17
22	Nursing and community care facilities	17
23	Retail - Clothing and clothing accessories stores	17
24	Services to buildings	16
25	Retail - Health and personal care stores	15
26	Transit and ground passenger transportation	14
27	Offices of dentists	14
28	Employment services	13
29	Other financial investment activities	13
30	Retail - Miscellaneous store retailers	12
31	Others	335
	Total	1,197

Defining the Sector: Theater Roles and Responsibilities

The small venue theater industry is host to a diverse array of skillsets that are widely transferable throughout the performing arts. Performance, production, and compositional talent often work across a multitude of mediums on a full-time, part-time, or freelance basis, fostering fluidity throughout the industry that allows for critical cross-pollination of ideas and skillsets.

Theater Staff Roles

These positions outline typical roles within a theater or theater company who may or may not be involved on the production-side.

The **executive director** oversees the planning and management of the theater including staff, finance, and programming.

The **managing director** is in charge of the organizational aspects of production and ensures its artistic and financial success. Additionally, they may also direct individual productions. Depending on theater or company size, this role may be combined with that of executive director.

The **board of directors** includes advisors, sponsors, and/or supporters, often from various industries, who oversee

adherence to operational by-laws, fundraising activities and executive staff leadership searches.

The **marketing and communications team** is responsible for promoting ticket sales and subscriptions to the performance, theater company, and/or theater.

The **development team** is responsible for growing and diversifying revenue for the theater and may include grant writers and producers.

The **finance and administration team** is responsible for payroll and accounting of revenue and expense streams, and forecasting and managing the cost of productions and overhead.

The **education and outreach staff** is responsible for educational programming, community outreach, and interfacing between schools, communities and theater staff, often offering placements and work opportunities.

Creative Production Talent

These positions develop the production from conception to performance.

The **playwright** is the storyteller who writes or adapts the script. Playwrights can conceive of their own performances, or be commissioned by theaters. In musicals, the book writer creates dialog and storyline in accompaniment with musical numbers written by a composer and lyricist.

The **director** is responsible for orchestrating the creation of a production, bringing artistic vision together and ensuring the quality of the final production. This includes directing the cast and collaborating with assistant directors, designers, choreographers, and music, fight, and intimacy directors.

The **producer** is responsible for finding the funding to finance a show and managing the financial risks. They source the performers and creative team, and come in independently to put on a show if the theater is not producing its own.

A number of **designers**, depending on the scale of the performance, may work alongside the director on specific audio-visual pieces of the production. They are key creatives who work with production and stage managers. Set designers also work with carpenters and electricians as costume designers work with wardrobe. Lightening designers create the overall atmosphere of a production and sound designers create sound effects and ensure good sound quality throughout the production.

The **cast** includes actors, dancers, and other performers involved in bringing the production to life.

Performance Production Talent

These positions support the production during performance.

The **stage manager** is the senior member of the team responsible for the organization of backstage crews

Common Theatrical Unions and Professional Associations

and cast during performances and rehearsals. They are responsible for the health and safety of performers and crew, and making sure production has completed their tasks in all phases. In larger productions a deputy and/or assistant stage manager assist with props, costumes, and can be dressers or mechanics.

The **production manager's** role is similar to that of the stage manager, but more focuses on the technical requirements of a production, co-ordinating all the production's technical and staging requirements. They connect the producers with the creative team and are ultimately responsible for fiscal matters and reporting to the producer.

The **technical team** manages and operates all technical aspects of a show covering sound, lighting, special effects, traps and flies, and AV, including the safe and effective use of equipment such as lights, projectors, speakers and microphones.

The **backstage staff** includes a wardrobe supervisor and make-up artists helping actors prepare.

The **orchestra or band** provides the music for musical theater, dance, and sometimes drama and in larger productions are led by a music director and/or conductor.

Front of house staff include a house manager, box office staff, ushers, and bar staff.

Actors' Equity Association (Equity, or A.E.A.) is the union for stage actors and stage managers. The union offers over 30 different contracts, which include those for Broadway, Off-Broadway, national touring companies, and many summer and regional theaters, as well as guest artists at universities and other theaters. Equity establishes fair employment requirements for theater workers that are negotiated by representative organizations. They maintain employment requirements for theaters with greater than 100 seats and less than 500 seats, which are set through negotiations with the bargaining partner for the sector, the Off-Broadway League, or the League of Resident Theatres. Theaters with capacities below 100 seats are held to baseline wage levels and insurance requirements, workplace safety rules, and health pensions. Actors' Equity Association and League of Resident Theatres wage scales apply throughout the country as well as to members throughout NYC, and they are staggered according to the nature of a given production.

American Federation of Musicians of the United States and Canada (AFM/AFofM) (Local 802 in New York City) is the largest organization in the world to represent professional musicians. They negotiate fair agreements, protect ownership of recorded music, secure benefits such as health care and pension, and lobby legislators. In the US, it is the American Federation of Musicians (AFM)—and in Canada, the Canadian Federation of Musicians/Fédération canadienne des musiciens (CFM/FCM).

The AFM is affiliated with AFL–CIO, the largest federation of Unions in the United States; and the Canadian Labour Congress, the federation of unions in Canada.⁴

The Dramatists' Guild of America, known as the Guild, the D.G.A., and the Dramatists' Guild, is the professional organization for playwrights, librettists, composers, and lyricists. It offers three levels of membership, including Member, Associate, and Student, that provide standardized contracts for Broadway, Off-Broadway, and League of Resident Theatre (L.O.R.T.).

International Alliance of Theatrical Stage Employees (I.A.T.S.E.) has about 122,000 members working in the theater, film, and TV. They represent backstage workers, electricians and operators, among others. I.A.T.S.E affiliate, United Scenic Artists (U.S.A.), is the labor union for designers, artists, and craftspeople in the entertainment and decorative arts industries.

The Stage Directors and Choreographers Society (SDC) is the newest theatrical union and represents professional stage directors and choreographers.

Endnotes

1. <https://wp.zillowstatic.com/street-easy/2/2017-StreetEasy-Rent-Affordability-Report-467583.pdf>
2. The count of venues in NYC is based on a combination of the most reliable sources available and proprietary research. The total number of theatrical activities is likely higher than those quantified.
3. <http://www.nyclgbtsites.org/site/caffe-cino/>
4. Output accounts for revenues that are predominantly from ticket sales, space rentals, private fundraising, and public grants. This analysis is based on the 282 theater organizations that normally have \$50,000 or more in gross receipts and are required to file an IRS Form 990 or 990-EZ.
5. Sum of the number of employees for which a W-2 form was filled out across all organizations in 2017. This number does not account for double counting, i.e. Many actors would receive more than one W-2 form throughout the year from more than one organization.
6. Wage-earner numbers are based on organizations reporting employment.
7. Job growth for the small venue theater industry was established using available data from 126 theater organizations.
8. <https://www.osc.state.ny.us/osdc/rpt1-2020.pdf>
9. <https://www.statista.com/statistics/183815/gdp-of-the-new-york-metro-area/>
10. Discrepancies in the availability of data between commercial and non-profit theaters has resulted in differing levels of detail within the economic analysis for each type of theater. More data is available on non-profit theaters and thus, their corresponding analysis is more granular.
11. As established by the Association of Resident Theatres.

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 Mark Rossier, New York Foundation for the Arts
 Diego Segalini, Lower Manhattan Cultural Council (LMCC)
 Sarah Stern, Vineyard Theatre
 Nicholas Viselli, Theater Breaking Through Barriers (TBTB)



Bushwick Starr – Annual Maria Hernandez Park Event



Fitting for the world premier of *GIRLS* by Branden Jacobs-Jenkins at Yale Repertory Theatre; Mary Zihal (draper), Montana Levi Blanco (costume designer)



En Garde Arts – *Red Hills*; Asimwe Deborah Gkashugi, Sean Christopher Lewis (playwrights); Katie Pearl (director)

