The Metropolitan Opera

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Testimony Prepared for the 2022 Joint Legislative Budget Hearing "The Impact of the Arts in New York" By Peter Gelb, General Manager, Metropolitan Opera

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Senate Finance and Assembly Ways and Means Chairs, Senator Krueger and Assembly Member Weinsten, Cultural Affairs and Tourism Chairs Senator Serrano and Assembly Member O'Donnell, and honorable members of the Committees, thank you for the opportunity to provide written testimony today and address this critical topic.

As you may know, The Metropolitan Opera is the largest non-profit performing arts organization in the United States, with a \$300M annual operating budget. We present approximately 200 performances each year in a 3,800-seat opera house on the campus of Lincoln Center in Manhattan; bringing world class opera to a live audience of over 650,000 annually. Beyond the walls of the opera house, the Met strives to expand the audience for opera through wide-reaching media programs, including its famed live radio broadcasts and Live in HD transmissions in movie theaters, on PBS television, and online via Met Opera on Demand. The company also provides a myriad of free arts education and public engagement programs each season, which connect the Met with diverse communities in New York City and throughout the country and the world; reaching an audience of millions. In the first 18 months of the pandemic, we offered expanded free programming every day, which played to an audience of over 18 million households.

The Met, as an anchor cultural institution, serves as more than a creative and artistic hubit is an economic engine supporting a vast ecosystem of small-businesses and individual artists. With nearly 3,000 performers, artists, scholars, theatrical professionals and administrative staff, representing 15 separate unions, we provide good, steady jobs in a variety of trades and sectors and contribute substantial positive fiscal impact to the New York economy; specifically, \$175M in taxable income to the State of New York.

In addition, the Met is a tentpole of the NYC regional creative tourism sector, drawing local, national, and international tourist audiences who engage with nearby restaurants, hotels, and retail outlets as part of their Met Opera experience. Pre-pandemic, our audience was 20% international tourists and 80% domestic.

In early 2020, this prodigious creative and economic activity came to a grinding halt as the Covid-19 pandemic swept through New York City and eventually the country. Responding to the unprecedented crisis, the Met made the historic decision to close the opera house on March 12, 2020 and cancel performances in March, April and May, putting 1,000+ employees on furlough. The ongoing nature of the crisis and government guidance on social distancing resulted in the cancellation of rentals at the opera house in June, and the

cancellation of the 2020/2021 entirely, costing a shattering \$150M in lost revenues. And because of our size, we did not qualify for any PPP funding.

The pandemic's effect on the Citywide cultural sector was devastating: according to the Center for an Urban Future, "No industry in New York City has gone unaffected by the COVID-19 pandemic, but few have been shaken like the arts and cultural sector. This analysis of new survey data finds a cumulative decline in income of nearly \$1 billion (\$924.6 million) among city-based arts organizations—a 36 percent plunge from the year prior to the pandemic. The city is home to just half the number of arts jobs that existed prior to the pandemic, wiping out more than \$1.5 billion in wages.

With the advent of vaccines, we have been able to re-open, after 18 months of closure, with strict precautions. However, the very nature of our work, in a high-contact business, where hundreds of singers and orchestra musicians are in close proximity to one another throughout rehearsals and performances, technicians are in cramped spaces backstage, and audiences sitting in tight quarters through long performances continue to pose a risk, especially as new more contagious variants of the virus, such as omicron, emerge and spread.

We remain optimistic that by continuing to be vigilant in our precautions, and with the right government support, we can continue to remain open and in performance. We aim to support the ecosystem of restaurants and bars; taxi and livery drivers; hotels; retail; and travel industries that a faithful Opera audience drives. We have implemented a touchless entrance and box office operation and other measures to "pandemic-proof" our visitor experience.

While the worst days of this pandemic may yet be behind us, there is still much more the legislature, and the Governor can do to support the revitalization and recovery of New York's cultural sphere. While there was additional funding in the New York State Council on the Arts budget for art recovery last year and again this year, medium and large cultural organizations, such as the Met, have not been able to draw down on these crucial funds. Like many other cultural organizations, we have been deeply impacted by the pandemic and I urge you to make available additional relief monies for medium and large arts organizations like the Met through NYSCA. These monies will directly support our work, and by extension will support numerous small businesses in our ecosystem.

We look to this hearing to energize and advance innovative measures that will help assure the return and sustenance of the creative economy, understanding we are an integral driver of the economy at large and the small business sector in particular. Again, I thank you for your attention to this critical matter and for your ongoing work in this challenging time.

Submitted 2/16/22 Peter Gelb, General Manager, The Metropolitan Opera