

ENTERTAINMENT

‘There are no productions without money in the bank’: Why small arts organizations face a steeper climb



Anjanette Maraya-Ramey smiles during rehearsals for “The Grunch: A New Children’s Musical” at the Maraya Performing Arts studio in Chula Vista. (Kristian Carreon/For The San Diego Union-Tribune)

In the arts, a confluence of tough economic and cultural forces are at work, with the collective impact hitting arts groups where it hurts: the budget

By Michael James Rocha

Oct. 8, 2023 5 AM PT

When choreographer Anjanette Maraya-Ramey arrived at her Chula Vista studio one Monday afternoon in September, she was welcomed by a frantic employee and the piercing shriek of an alarm.

The keypad was broken, and all attempts to type in the code were fruitless. When the alarm finally stopped, Maraya-Ramey looked up and sighed: “I can barely hear — my ears are ringing. Welcome to the world of a small arts organization.”

Minutes later, it began screeching once again, sending Ramey and her staff scrambling to make calls to the alarm company.

“The police will show up,” she said, “and it’s \$100 every single time.”

That’s \$100 Ramey can’t really afford to part with. As founder, CEO and artistic director of [Maraya Performing Arts](#), she knows all too well that in the arts world, every dollar counts.

The COVID-19 shutdown three years ago may be long gone, but its effects continue to [reverberate nationally and locally](#) through the arts, especially in the performing arts.

This past June in New York’s Catskill Mountains, the dance-focused Petronio Residency Center — run under the auspices of the contemporary dance nonprofit

Stephen Petronio Dance Company — shut down after grants it had been banking on did not come through.

More than 750 miles away, in North Carolina, the Actor's Theatre of Charlotte shuttered, with its executive director attributing the closure to “the continuing effects COVID-19 has had on performing arts ... disappointing ticket and subscription sales.”

Back home, the Aimloan.com San Diego Blues Festival, citing “soaring inflation, skyrocketing production costs and supply-chain challenges,” announced in May it was shutting down after a 12-year run.

And the San Diego Opera, faced with declining ticket sales and rising costs, in July announced a leaner 2023-24 season.

Similar scenarios are being played out from coast to coast, in tiny towns and big cities, in community theaters and metropolitan arts powerhouses. But what is happening does not necessarily lay all the blame on the COVID-19 shutdown. It is, perhaps, the culmination of a perfect storm: a confluence of tough economic and cultural forces, with the collective impact hitting the arts where it hurts — the budget.

Audiences have returned but at levels far lower than pre-pandemic times — forcing arts groups to rethink how to move forward, especially as the cost of doing business, from equipment rentals to gas prices, has continued to rise.

As the economy teeters on the brink of a recession, donated income — from grants, sponsors, foundations and individual donors — has decreased. In 2022, according to a recent Giving USA study on charitable giving, the arts and culture sector saw an 8.9 percent drop in donations.

And for many groups that rely on the once-profitable subscription model, the fact that audiences aren't as willing to commit to an entire season, or most of it, has been

a wake-up call.

“Across the performing arts industry, regardless of size, subscriptions have been decreasing for a long time,” said Jennifer Sowinski Nemeth, a senior consultant and analyst for [JCA Arts Marketing](#), which specializes in data-driven consulting for arts and culture organizations across North America.

“The pandemic didn’t necessarily speed things up but made arts organizations feel the pain more,” added Sowinski Nemeth, who cited a January 2023 JCA-commissioned [study](#) that looked at trends in audience behavior. “At a time when you’re hoping to rely on them, they’re just not there.”

Meanwhile, large artistic institutions, faced with the same dilemmas as small groups, often benefit from the largesse of generous philanthropists and the cushion of endowments. But for small arts organizations like Maraya, the philanthropic mountain is a steeper climb.

“There are days when I wake up and see how much money we have in the bank,” Maraya-Ramey said. “I look at the balance in our account, and it’s a reminder that we have to hustle. To survive, we have to be scrappy and mindful of how we’re using our resources.”



Teaching artist Stephen Evangelista warms up with students during a rehearsal for “The Grunch: A New Children’s Musical” at Maraya Performing Arts in Chula Vista. (Kristian Carreon/For The San Diego Union-Tribune)

‘We make it work’

Maraya Performing Arts is a hybrid of a for-profit and a non-profit. The studio on Harold Place in Chula Vista serves as a performing arts school, where students of all ages enroll in classes to learn everything from hip-hop and ballet to musical theater. The recurring revenue from tuition coupled with philanthropic dollars allow Maraya, under its non-profit arm, to provide scholarships as well as produce free or low-cost performances that bring the arts to underserved audiences across the county.

“That’s really the heart of our mission,” Maraya-Ramey said. “I wanted a safe haven that people can come to to find a sense of belonging, where they can explore their creativity and tell their stories in an authentic way in a variety of arts mediums. A

place where they can hear stories about themselves or see productions with people who look like them in it. That is the impetus for me starting it. We really wanted to build a second home for people to come feel that sense of belonging.”

For Maraya-Ramey, building that home meant a personal sacrifice: After facing her mortality twice — she survived a brain hemorrhage and later fought acute promyelocytic leukemia — Maraya-Ramey decided it was time to make her dream happen.

“My husband and I took our life savings and invested that into the tenant improvements and startup costs to open the studio,” she said.



Jordyn Flores, 9, looks at her sheet music as she sings during a rehearsal for “The Grunch: A New Children’s Musical” at Maraya Performing Arts in Chula Vista. (Kristian Carreon/For The San Diego Union-Tribune)

On March 4, 2020, they officially signed their lease. Then COVID-19 happened. Mandatory lockdowns went into effect 15 days later.

“But we had already started construction,” Maraya-Ramey said. “This was all happening while I was still finishing my maintenance chemotherapy treatments.”

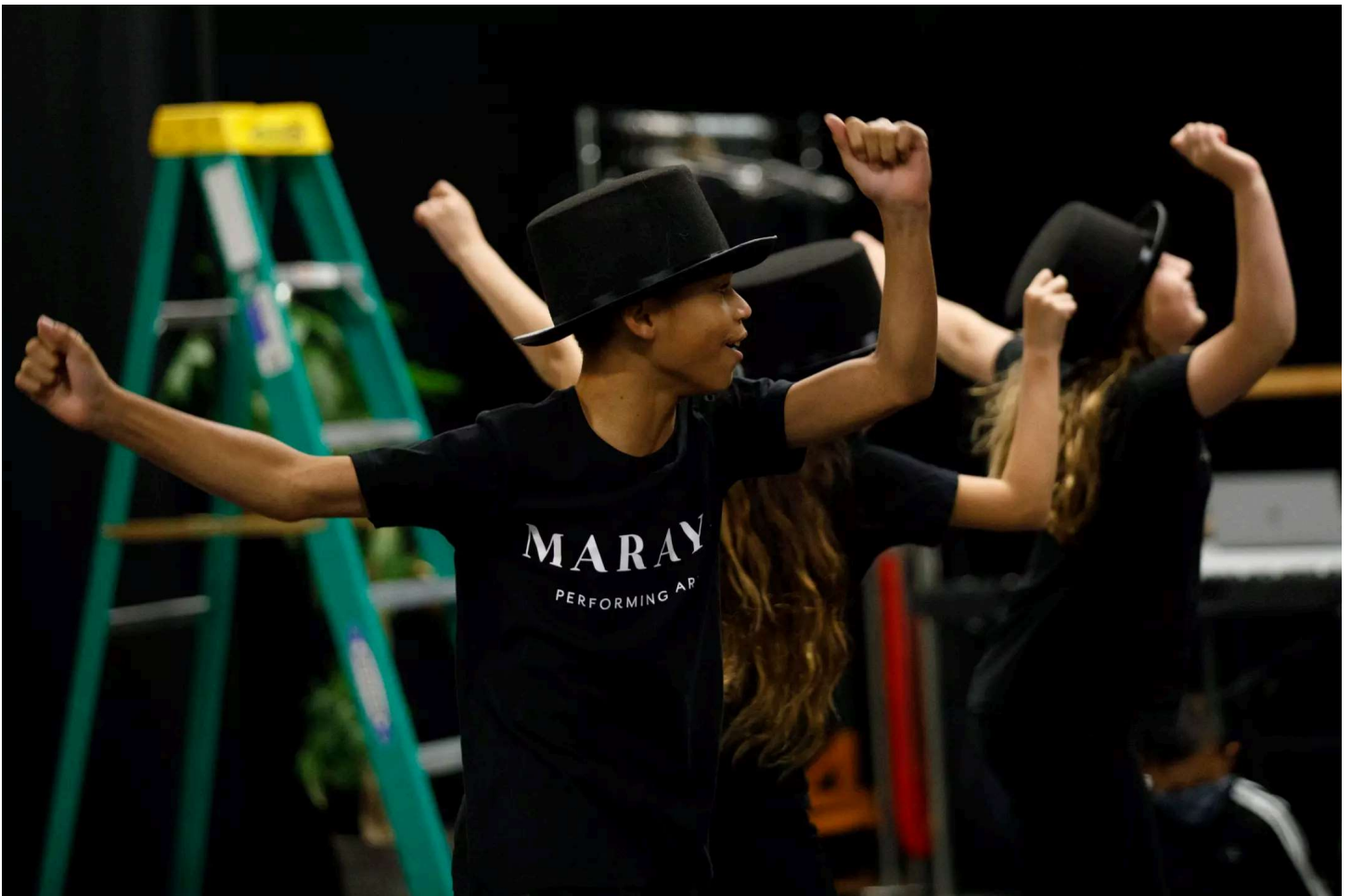
It wasn't until nearly two years later, on Feb. 21, 2022, when Maraya Performing Arts finally had its official grand reopening. Still, the commitment to make it all work was as strong as ever. So much so that she and her husband sold their home in San Carlos a few months later and moved in with her parents so that they could continue to support Maraya Performing Arts.

“It has been a hard journey because we had to do it all dealing with COVID,” said Maraya-Ramey, who has a background in nonprofit and government arts work and graduated with a bachelor's degree in dance performance and choreography from California Institute of the Arts and a master's in nonprofit leadership and management from University of San Diego. “We had to find out what we could do and who we could be within all of the COVID parameters. We're finally finding our footing now, but it's still not easy.”

“We just barely break even with all the productions,” added Maraya-Ramey, who said Maraya Performing Arts' most recent production of “Moana,” performed at KIPP Adelante Preparatory Academy in southeastern San Diego, cost \$46,620.

A mix of sponsorships, tuition and partnerships made the production possible, but sweat equity played a big part in making it all happen: parents volunteered countless hours, doing everything from selling tickets to sewing costumes and building scenery.

“We make it work somehow,” she said. “We have to.”



Anthony Ware, 12, dances during a rehearsal for “The Grunch” at Maraya Performing Arts in Chula Vista. (Kristian Carreon/For The San Diego Union-Tribune)

‘Shouting into the void’

Running a small arts group isn’t for the faint of heart. Just ask [Leslie Ann Leytham](#), artistic director and co-founder of Project [Blank], which presents immersive, multidisciplinary and often-avant-garde chamber music and operatic performances.

Asked about the plight of small arts organizations, Leytham said: “It’s not really a plight. For small arts groups, it’s more of a fight.”

“We have a lot of ideas and ambition, but because of our size, we are often shouting into the void to be seen,” said Leytham, who in 2019 co-founded [Project \[Blank\]](#) with fellow musician and University of California San Diego alum [Brendan Nguyen](#), the

organization's general director. "But because we're small, we are also able to be more adventurous and take risks."

Its size may make Project [Blank] more nimble, but with it come many challenges.

"Money is always a worry," she said. "There are no productions without money in the bank. The worry is pretty constant. The entirety of it — it's such an overwhelming and tedious task. There's no time to shove it to the back of my mind so that I can do all of the other things I need to do — rehearsing, scheduling and learning my music. It's a constant cloud. I'm an artist, and I'm not a bookkeeper. ... It's not my area of expertise. But we knew what we were signing up for, so you do it — all of it."



(Courtesy of Project [Blank])

“We’re small. but we obviously work hard to keep Project [Blank] growing and getting bigger each year. We are working hard to produce quality arts programming. But it’s not easy.”

— **Leslie Ann Leytham, co-founder and artistic director of Project [Blank]**

Unlike many large arts organizations, small groups like Maraya and Project [Blank] often have small staffs that handle everything from marketing and donor outreach to selling tickets and setting up chairs.

“And grant writing,” Leytham was quick to add. “It’s foolish to think ticket sales will cover everything. All organizations, regardless of size, are dependent on fundraising. At Project [Blank], we’re really committed to keeping ticket prices low. We believe that high-quality programming should be accessible to everybody. Cost of entry should not be a deterrent. We try to stay true to that and work hard to continue to grow the scope and scale of our productions at the same time.”

But, she said, all that comes at a price — and money doesn’t just walk in the door.

“Our organization’s administrative tasks, that’s all done through sweat equity by volunteers and a small but dedicated board of directors,” said Leytham, whose [five-member board](#) also takes on tasks such as publicity and grant writing. “We have someone who’s constantly churning out grant applications.”

But grants can only take you so far. So just like their larger counterparts, small arts groups have to use a combination of tried-and-true and new tactics to raise funds — from courting specific patron communities to fostering relationships with potential donors to predicting audience behavior by harnessing data.

“We’re small,” Leytham said, “but we obviously work hard to keep Project [Blank] growing and getting bigger each year. We are working hard to produce quality arts programming. But it’s not easy.”

One of the biggest challenges?

“Affordable venues for us to rent — that is a constant challenge. There’s just not a lot of them in San Diego,” said Leytham, who opened the Project [Blank] 2023-24 season at [Bread & Salt](#) in Logan Heights last month.

Many large organizations — music institutions and museums, for example — have performance spaces for rent, but the cost is well beyond what groups like Maraya and Project [Blank] can afford.

‘Provide more support’

As a member of [San Diego’s Commission for Arts and Culture](#), longtime arts advocate [Alessandra Moctezuma](#) hears that common refrain — and more — from San Diego’s creative community.

“One of the higher costs for many organizations is rental of space or facilities,” said Moctezuma, who runs the [museum studies program](#) at San Diego Mesa College and also works with local artists as the director and curator of the [Mesa College Art Gallery](#).

For their part, she said, commissioners are always looking for ways to support arts groups, especially small ones. Suggestions have included “providing low- or no-cost facilities and developing a list of available spaces in the city or county that have been decommissioned and could be turned over to non-profits.”

“I think two of the main problems that we have in the city are access to resources and visibility,” Moctezuma said. “We live in a very expensive region, and we acknowledge that there are inequities in the ways that funding is distributed.”

In many cases, here and elsewhere, the dollar figure awarded through a grant process is often a pre-determined percentage based on a group’s operating income. Using the city of [San Diego’s algorithm](#), smaller groups with a budget of, say, \$50,000 may receive an average of 22 percent, or \$11,000, while larger groups with a budget of, say, \$15 million may receive an average of 3 percent, or \$450,000. Simply put, that often means the bigger the budget, the bigger the grant.

“The process was streamlined during the pandemic, when the city stepped in to provide emergency funding to arts and culture non-profits,” Moctezuma said. “Many small organizations have told me that the efficient manner in which these funds were made available should be the way forward.”

“Large organizations have dedicated staff to write grants and generate fundraising campaigns,” Moctezuma added. “In smaller organizations, you might have just the executive director trying to do this as part of their many tasks in running the institutions. Similarly, larger organizations can rely on boards that have more resources and smaller organizations might just have working boards that have limited ways to raise funds. So I think what would be key is to provide more support to the smaller organizations.”

At the end of the day, according to Leytham, there’s another challenge arts groups face — and it’s a basic but pretty big one: “Getting people to hear about us. We do everything we can to get the word out — putting our events on calendars and sending out press releases. But all arts organizations struggle with the same thing: cracking the nut of getting people to come.”

Despite that common struggle, some sectors of the arts have fared better than others.

“Theaters have been slower to recover after the pandemic than other performing arts genres, while music organizations have generally recovered better,” said Sowinski Nemeth of JCA Arts Marketing. “We’ve also seen that theater organizations have been the least likely to raise prices since reopening. I think there’s a sense that keeping prices low means that they will sell more tickets, when in reality, price is not the biggest barrier. Audiences are still willing to pay for things they really want to see. Price is not really the issue. The issue is that audiences are being picky about what they want to see and how they want to spend their time. They’re making different choices than they might have made before the pandemic, and they’re also more risk-averse.”

She added: “When we say audiences are being risk-averse, we don’t mean health-wise. They’re risk-averse in that if they’re not positive they’re going to have a good time, they’re going to be less likely to buy that ticket. They want to know how they’re going to feel coming out of a performance. Take classical music — when you

buy a ticket to Beethoven's Fifth, you know exactly what you're going to get. It's familiar and comforting. With theater, if you're not familiar with the work, it's riskier."

"I wanted a safe haven that people can come to to find a sense of belonging, where they can explore their creativity and tell their stories in an authentic way in a variety of arts mediums. A place where they can hear stories about themselves or see productions with people who look like them in it. That is the impetus for me starting it. We really wanted to build a second home for people to come feel that sense of belonging."

— Anjanette Maraya-Ramey, founder, CEO and artistic director of Maraya Performing Arts





Anjanette Maraya-Ramey, founder, CEO and artistic director of Maraya Performing Arts. (Kristian Carreon/For The San Diego Union-Tribune)

‘We have to keep at it’

Without enough people in seats or going through turnstiles, arts groups turn to — what else? — fundraising. That’s why seeking financial support from individual donors, foundations as well as local, state and federal sources is an important yet arduous part of the nonprofit ecosystem.

Last month, Maraya was named one of 18 [Far South/Border North](#) grant recipients. The city of San Diego program is aimed at raising “local awareness of public health, energy and water conservation, climate mitigation, civic engagement and social justice in San Diego and Imperial counties.” The program — set to dole out \$2.52 million, with each group receiving \$140,500 — will enable Maraya to take its most recent Filipino-themed production on the road. Titled “Bayanihan,” it explores the Filipino concept of communal spirit and unity.

Project [Blank] applied for the Far South/Border North program but did not quite meet the criteria.

“The size of that grant would have been a game-changer for us,” Leytham said. “But we don’t quite have the infrastructure or the track record of managing funding of that scope.”

But twice now, Project [Blank] has applied for and received a \$5,000 grant from the city of San Diego. For fiscal year 2024, the city awarded more than \$10.1 million to 113 recipients as part of its Organizational Support Program, which “provides general

operating support to tax-exempt, nonprofit, arts and culture organizations, for delivery of activities and programming that positively impact San Diego's quality of life and tourism”

“We all have our hopes and dreams, and we try to not scale back the ambition of the organization because of money constraints,” Leytham said. “But the reality is, that’s a problem we all have: We have grand visions but not always the funds to execute them.”

It’s not a new problem, but current conditions are magnifying — in some cases, exposing — the financial fragility of many arts organizations.

“We survived COVID: We built an outdoor studio. We tested every day. We got through that. We’re still here,” Maraya-Ramey said. “The optics may be that we’re making a lot of money, but financially, we are not out of the woods yet. I don’t have another house to sell.”

For Maraya-Ramey, there are good days and there are not-so-good days. She keeps a file of feel-good notes and emails from parents to help her stay on track on the not-so-good days.

“We have to keep at it,” she said.

After a brief pause, Maraya-Ramey talks about another alarm, but not the kind she had to deal with that one Monday afternoon in September.

Looking down at her Apple Watch, she said: “My alarm goes off every day, and it says: ‘Wake up, kick some ass and go build your empire.’ The vision that I have ... I remind myself of that every day. I look at what I’ve written in my journal. I want to be rich — not just monetarily — but I want an enriched and fulfilling life. I would love to adopt. I would love to go on vacations with my husband. I would love to buy another

house. I would love to see this house grow, Maraya. I would love to see more kids explore their creativity through our programs and shows. I would love to see our kids make it to Broadway. That motivates me ... that is my vision of a rich life.”

Filipino Arts & Culture Summit, plus blood drive

What: In celebration of Filipino History Month, Maraya Performing Arts will host a summit of master classes and professional performances for children and their families interested in the performing arts and entertainment industry. Snacks and lunch provided. A blood drive, in partnership with the San Diego Blood Bank, will be held in the parking lot.

When: 11 a.m. to 4:30 p.m. Oct. 22

Who: Filipinos in the arts industry, including TV and film youth actor and model Romi Herrada (Paramount Plus’ “My Dream Quinceañera” and Disney Pixar’s upcoming animated series “Win or Lose”), local casting director Kim Montelibano Heil and Maraya Performing Arts’ professional dance theater company performing “Bayanihan,” featuring spoken word, live music and contemporary and hip-hop dance.

Where: Maraya Performing Arts Studio, 861 Harold Place, No. 208, Chula Vista

Tickets: \$49-\$89 per person. Due to limited space, each person (regardless of age) requires an individual ticket. There are only 50 spaces available, and advance registration is highly recommended.

Phone and email: (619) 934-2999 or info@marayaarts.com

Online reservations: marayaarts.com/summit

Project [Blank]: The Salty Series Monthly Experimental Concerts

What: Experimental guitar show, curated by Sam Lopez of Stay Strange

When: 7 p.m. Oct. 20 (concerts are held on the third Friday of each month)

Where: Bread & Salt, 1955 Julian Ave., Logan Heights

Tickets: \$10 or pay-what-you-can

Online: projectblanksd.org



Michael James Rocha