

## **Risks to the Region's Distinctive Amenities and Livability**

Our region's livability stems from our world-class amenities and vibrant communities. Our restaurant scene, sports and arts and culture organizations have been disproportionately affected by the pandemic due to social distancing requirements and the reduced ability to generate revenue. The non-profit sector more broadly has had to respond to soaring demand for services at a time when revenue sources are constrained, including government, philanthropy and individual giving. Even the availability of volunteers to carry out the work has been impacted by social distancing.

**Restaurant scene:** In recent years, Pittsburgh has been recognized as a top food city nationally and even globally. However, the restaurant industry is one of the hardest hit by COVID-19 due to public health restrictions. In many restaurants, a near 100% utilization is required in order to make a profit. When social distancing guidelines only allow a capacity of 25% or even 50%, many are not able to cover the costs of operating. Even when restrictions ease, many customers may be reluctant to return to indoor dining due to public health concerns. Restaurant closures have already been accelerating, and more than **one-third of them may not be able to reopen again**, far exceeding the attrition expected annually.

**Sports culture:** Pittsburgh has been ranked among America's best sports cities by *The Sporting News*, *Forbes*, *Lonely Planet*, *Bleacher Report* and *The New York Times*, with many residents citing sports as one of the region's top attributes. While some sports have been able to resume, most are not allowing fans in their stadiums. This presents financial hit to the organizations and to the restaurants and other small businesses that thrive off of the visiting fans that these large sporting events bring to town.

**Arts and culture:** Our arts and culture sector is a socio-economic powerhouse relative to competing regions, one that has resulted from strategic investment over the course of a generation.

- #1 city nationally in direct spending on the arts
- \$1B annually in Cultural District economic impact
- 3<sup>rd</sup> ranked city in the country for arts and culture organizations per 100K residents
- 45% of tourists said cultural experiences were "very influential" in their decision to visit
- 32K full time jobs generated through the arts in southwestern PA in 2017
- \$115M in local and state taxes generated by the arts in 2017
- \$510M in additional arts-related spending from health, lodging, and food industries in 2017

In 2020, 90% of events have been canceled or rescheduled, funding sources are drying up and an increased digital and virtual presence has not been fully effective in sustaining arts engagement. In many communities, especially Downtown Pittsburgh, the arts are magnets for audiences who patronize restaurants and retail establishments and pay parking and amusement taxes. Without these audiences, the demand for these services has evaporated and so has the associated tax revenue to support public safety and other essential government services.

This significantly reduced activity of the core amenities has a **strong ripple effect on all aspects of our community vibrancy**. Besides the significant jobs and revenue losses, the limited opportunities for in-person interactions and neighborhood events is testing the strength of our social fabric while creating new levels of social isolation among residents.