SMU DataArts
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City Arts Sector Trends:

Divergence and Resilience Across Ten U.S. Cities (2019–2024)

Executive Summary

Arts and cultural organizations are vital to city life. They create spaces where people gather across backgrounds and perspectives, express identities, and imagine collective futures. They also have expansive economic effects — drawing foot traffic, supporting creative workers, and generating activity for surrounding businesses. While cultural activity in all its forms contributes to urban vitality, nonprofit institutions play a distinctive role in safeguarding public access to culture and generating forms of public value that extend beyond market return. In this sense, the strength of a city's nonprofit arts sector is intertwined not only with its economy, but also with its ability to imagine, build, and govern thriving communities over time.

This report tracks the health of the nonprofit arts and culture sector through a period of exceptional volatility. From 2019 to 2024, organizations grappled with pandemic disruption, inflation, shifting audience behavior, and changes in funding patterns. Drawing on data from 4,416 organizations across ten U.S. cities, **the defining story is divergence**: some cities and segments of the field have stabilized or grown, while others are navigating significant contraction. The widening gap reflects differences in the conditions that support cultural activity in each city, including local public investment, revenue structures, and audience engagement. The findings suggest that resilience — the capacity of arts organizations to adapt, survive, and continue to create public value under ongoing pressure and change — is not evenly distributed across cities.

Cities included in this report

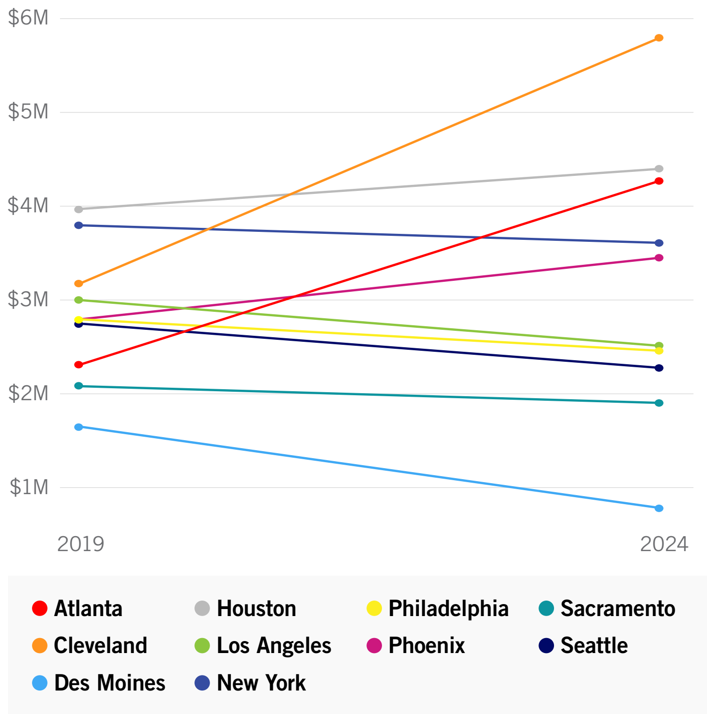
What We See Across Cities

A widening gap in fiscal health is emerging across cultural sectors.

Before the pandemic, key financial indicators for arts and culture organizations were relatively similar across the ten cities, and this alignment largely held through the contractions of 2020 and 2021. As relief funding began to wane, however, differences between cities grew more pronounced. By 2024, the range between the highest- and lowest-performing cities had expanded substantially across a number of financial metrics. Average expenses varied 43% more across cities than in 2019, operating surplus 44% more, and a striking 117% more for revenue. City averages for operating surpluses in 2024 ranged from $10,050 per organization in New York City to $445,515 per organization in Phoenix, underscoring how differently local cultural ecosystems are faring. When adjusting for inflation, revenue trajectories diverged sharply: Atlanta and Cleveland saw strong growth, Phoenix was broadly stable, Houston saw modest decline, and six cities declined by more than 20 percent. In this context, reliable insights into local financial patterns become even more crucial for policymakers, advocates, and arts leaders navigating an uncertain landscape.

Average Total Revenue Across Cohort Cities

2019–2024, Not Adjusted for Inflation



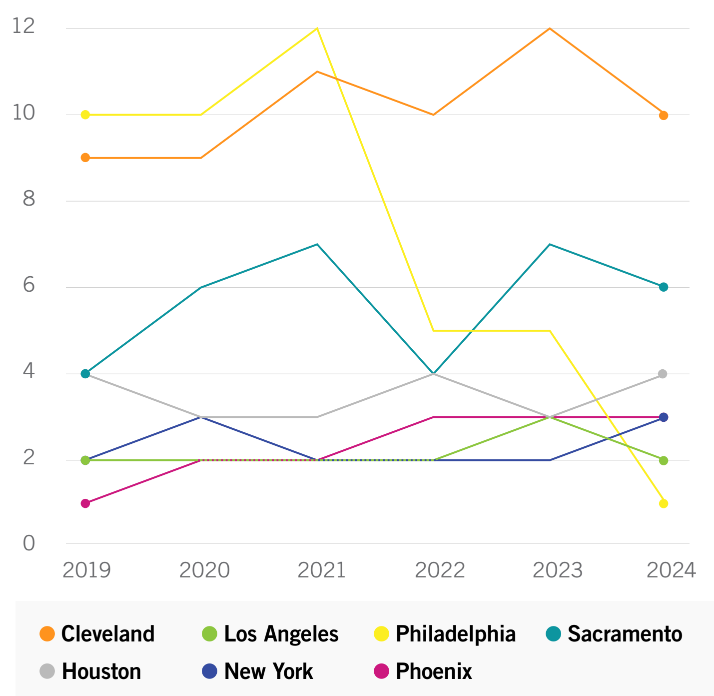
Consistent local public investment is closely associated with stronger sector outcomes.

During the height of the pandemic, local government support rose as local agencies played a major role in distributing federal relief funding, but by 2024 it had retreated below pre-pandemic levels, covering about 4.9% of average organizational expenses compared with 5.1% in 2019. Despite covering a small share of most organizations' budgets, cities with higher or growing local arts funding tended to cluster toward stronger financial and attendance metrics:

- **Cleveland**, with the highest local arts funding per capita of the cohort, also experienced strong revenue growth between 2019 and 2024.
- **Phoenix** saw the largest increase in public arts funding per capita and reported major gains in average surpluses.
- **Sacramento's** local government support for the arts is also relatively strong, and the city has reported sizeable gains in average operating surplus and median revenue among arts organizations.
- **Philadelphia**, by contrast, saw the steepest decline in local arts funding per capita and its organizations made the largest cuts to workforce.

Local Government Grants to Cultural Organizations per Capita (in Cents)

2019–2024, Not Adjusted for Inflation



Note: Local support data was not available for Des Moines, Atlanta and Seattle.

Audience recovery remains uneven.

Attendance is a vital indicator of public engagement and a primary driver of earned revenue for many organizations. Forty percent of cultural organizations grew attendance between 2019 and 2024, showing that many leaders are finding ways to build engagement. But 54% of organizations saw attendance contract by more than 5%. This led to a significant reduction in average attendance across the cohort: 44% below 2019 levels. The cohort also saw a 31% reduction in program occurrences over the same period. This reduction was concentrated among larger organizations, but the relationship between fewer offerings and fewer attendees is an important dynamic in the data. In other words, some organizations are growing, but the field as a whole is reaching fewer people in part through a reduction in programming – and sharp losses at previously well-attended organizations may be pulling averages down. Seven of the eight cities with available data reported fewer attendees in 2024 than before the pandemic, with Phoenix as the sole exception. There are reasons for optimism in the shorter term — average attendance across the ten cities increased between 2023 and 2024 — but the overall picture is still one of incomplete and uneven rebuilding.

How Different Types of Organizations Are Faring

Smaller organizations appear more agile, while mid-sized and large organizations face sharper financial strain.

On average, mid-sized and large organizations saw the steepest declines in revenue and operating surpluses, while small organizations averaged modest surplus growth. However, even for small organizations growth was uncommon — more than two-thirds saw their surpluses shrink, which aligned with the broader trend. Mid-sized organizations have seen the steepest attendance declines on average, and their cost structures leave them financially exposed. This group devotes the highest percentages of their expenses to staffing and are most likely to rent their facilities.

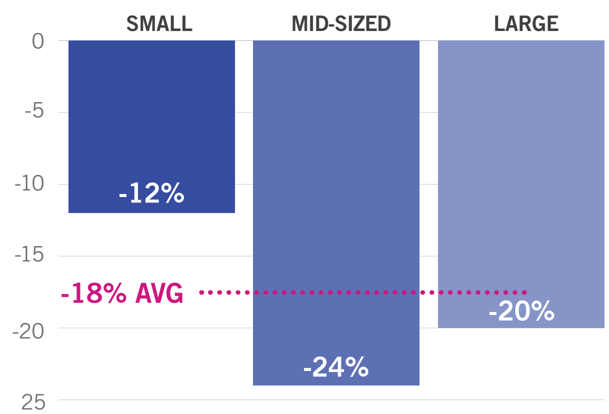
Performing arts organizations saw stronger audience recovery than financial recovery.

Performing arts organizations experienced the greatest losses in revenue and spending across all disciplines, leading to an 88% average decline in operating surplus. By 2024, the average operating surplus for performing arts organizations was just 0.7 percent of total expenses — barely above breakeven. At the same time, this group employs the fewest full-time staff but spends the highest share of their budgets on personnel, and are considerably more likely to rent their primary facilities than visual arts or other organizations. While performing arts organizations have seen a strong return in attendance compared to other disciplines, that recovery has not translated into comparable financial health.

This contradiction may reflect the attendance measure used in the analysis (i.e. free and virtual attendance obscuring weaker recovery patterns in paid attendance and in-person attendance), changes in ticket prices, donor priorities, or rising costs outpacing ticketing revenue.

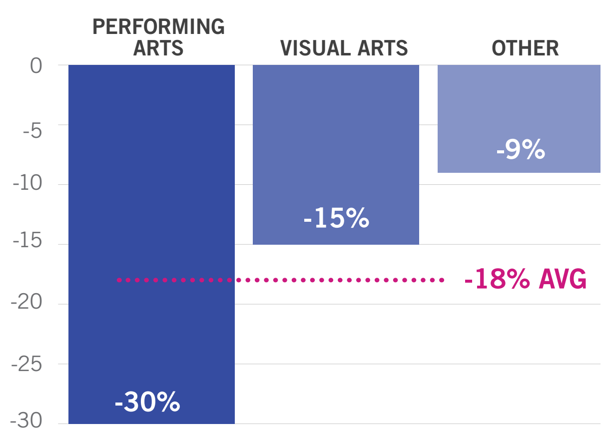
Percent Change in Total Revenue by Budget Size

2019-2024, Adjusted for Inflation



Percent Change in Total Revenue by Artistic Discipline

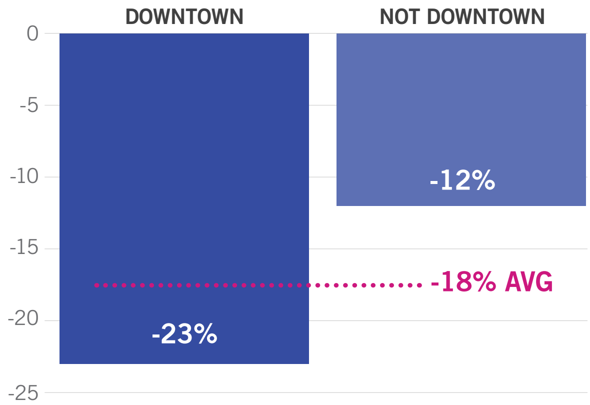
2019-2024, Adjusted for Inflation



City center organizations saw steeper declines than organizations outside downtowns.

Across the cohort, organizations located in a city's central business district saw steeper declines in revenue, expenses, and attendance than organizations located elsewhere. These trends coincide with broader shifts in urban economic patterns, including reduced office occupancy, lower commuter foot traffic, and uneven recovery in retail and hospitality. Because downtown arts institutions are often large anchor organizations, their contraction carries wider implications for employment, programming, and the vitality of city centers.

Percent Change in Total Revenue by City Center Proximity
2019-2024, Adjusted for Inflation



What This Means

For city arts agency leaders, the findings strengthen the case for public funding as an investment in public value, not simply a subsidy. Cities with stronger or growing local arts investment tended to show stronger financial and attendance outcomes, suggesting that public funding helps create the conditions in which private and earned support can also grow. The report also points to the need for more explicit strategies for strengthening segments under strain, especially mid-sized organizations and downtown anchors, while continuing geographically distributed funding that supports neighborhood-based cultural activity.

For private funders, the report points to opportunities to bridge gaps where public support has weakened, while recognizing that philanthropy is not a durable substitute for public investment. The data suggest particular need for supporting performing arts organizations, mid-sized institutions, and facility-related needs in ways that strengthen long-term sustainability.

For cultural organization leaders, the findings offer a broader context for challenges that may otherwise appear organization-specific. Audience rebuilding remains an ongoing priority, but the report also points to the importance of monitoring reserves, planning for staffing and facility costs, and understanding how broader city and sector conditions may be shaping organizational performance. In that sense, the value of the data analysis is not only diagnostic; it can also help leaders make more informed strategic choices in a period of continued volatility.

A Note on Definitions

For this analysis, we split organizations into three artistic disciplines: visual arts organizations, performing arts organizations, and other arts organizations. Throughout the report, "other" arts organizations refers to a broad group of nonprofit cultural organizations whose work is not primarily centered on visual or performing arts production, including those focused on community, history, education, and service roles within the arts and cultural sector.

We also split organizations according to average annual expenses, with small organizations defined as those with annual expenses under $500k, mid-sized organizations with $500k to $1M in annual expenses, and large organizations with more than $1M.

More information about methods used can be found in the full report.