

The New York Times

Emerging From Covid, Small Theaters in Los Angeles Face a New Challenge

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LOS ANGELES — “And here she is, in all her glory.”

With a clank of a switch, Gary Grossman, the artistic director of the Skylight Theater Company in Los Angeles, turned up the lights over the 99 seats of his shoe box of a theater in Los Feliz the other morning. The Skylight looked pretty much the way it did when it abruptly shut down in March of 2020. Planks of scenery from its last production, “West Adams,” were gathering dust, leaned up against the rear of the stage.

Concert halls, arenas, movie houses, baseball stadiums and big theaters are reopening here and across the country as the pandemic begins to recede. But for many of the 325 small nonprofit theater companies scattered across Los Angeles, like the Skylight, that day is still months away, and their future is as uncertain as ever.

“How long will it be until we get back to where we were?” Grossman asked, his voice echoing across the empty theater that was founded in 1983. “I think three to five years.”

This network of intimate theaters, none bigger than 99 seats, is a vibrant subculture of experimentation and tradition in Los Angeles, often overlooked in the glitter of the film and television industry. But it is confronting two challenges as it tries to climb back after the lengthy shutdown: uncertainty as to when theatergoers will be ready to cram into small black boxes with poor ventilation, and a 2020 state law, initially intended to help gig workers such as Uber drivers, that stands to substantially drive up labor costs for many of these organizations.

The new gig worker law mandates that all theaters, regardless of size, pay minimum wage — which is ramping up to \$15 an hour in California — plus payroll taxes, workers' compensation and unemployment insurance. While some unionized theaters paid a minimum wage before, many had exemptions from Actors' Equity which allowed them to pay stipends that typically ranged from \$9 to \$25 for each rehearsal or performance.

Producers say the new state law means expenses for many small theaters will climb steeply at an exceptionally fragile moment for the industry.

“Small performing arts organizations are on the verge of disappearing in California,” said Martha Demson, the board president of the Theatrical Producers League of Los Angeles. “It’s an existential crisis. We had the 15 months of Covid. But also now the California employment laws; to remain good employers we have to hire all of our employees as full-time employees.”

Many organizations have survived these past months with government grants, support from donors and breaks from landlords. But Demson said some theaters that were forced to turn off the lights may never be able to return in this difficult environment.



The Fountain Theater held outdoor performances of “An Octoroon.” Credit...Philip Cheung for The New York Times

It has all added to an atmosphere of anxiety for a part of Los Angeles that has often felt a bit like a cultural stepchild. For all its growth and accolades, and its importance to actors looking for a place to work or stay sharp between roles in movies or on television, the theater scene has been too often overlooked. There is no central district of small theaters, as there is in many cities: They are scattered across North Hollywood, Atwater Village, Westwood, a stretch of Santa Monica Boulevard in Hollywood, Culver City and downtown Los Angeles.

“Reminding the public that intimate theater not only exists but is essential to a well-balanced life in L.A. has been a challenge for decades,” said Stephen Sachs, the co-artistic director of the Fountain Theater. “We are always up against the goliath of the film and television industry.”

Danny Glover, an actor who began his career on small stages in Los Angeles and San Francisco and was a co-founder of the Robey Theater Company in Los Angeles, described the theater scene as central to his own success.

“Something happened in those small places with 50 people in there that opened me up in different ways, that made me realize there was something I could say in front of a camera or in front of a stage,” Glover said in an interview. “I’ve seen actors in a small theater, whether it’s in San Francisco or L.A., the next thing they are on their way to a career. That doesn’t often happen with the kind of pressures that are there when you are in a theater for profit.”

Intimate theaters operate hand-to-mouth. Only 19 of the 325 small theaters have budgets over \$1 million, and those account for 83 percent of the combined revenue of the entire sector, according to the Theatrical Producers League.

“We are always underfunded,” said Taylor Gilbert, the founder of the Road Theater Company. “Live theater is not the best of models for making money.”

Demson, the producing artistic director of the Open Fist Theater Company, estimated the new law, which took effect just before California shut down, would add \$193,500 in labor costs to her company’s annual budget, which now varies between \$200,000 and \$250,000.

Many industries have responded to the bill, known as AB5, by lobbying Sacramento for exemptions. But there is little support for that in this theater community, which tends to be politically progressive.

“It puts another financial burden on already strapped small companies,” Gilbert said. “At the same time we all support the idea that an artist should get a living wage. That’s the conundrum.”

Actors’ Equity has come out strongly against exempting its members from the law, instead pushing for financial assistance from state and federal government to help theaters get back on their feet.

“We think it’s a bad idea to have an exemption,” said Gail Gabler, the western regional director of Actors’ Equity. “We all want the same thing, We want the theater to open. It’s important for our economy and it’s important for our souls and it’s important for the actors who work in theater. But we want our actors to be fairly paid and work in safe conditions.”

As a result, theater leaders are pressing lawmakers in Sacramento for legislation that would provide aid to help theaters cover the explosion of costs. There are two main initiatives: A one-time \$50 million subsidy included in the state budget for struggling small theaters, and another that would set up a state agency to handle the cost of processing the new payroll requirements.

But some small theater operators say that those bills would not do enough.

“The financial subsidies would be great if they were written as a long-term sustaining line item in the California state budget,” said Tim Robbins, the Academy Award-winning actor and artistic director of the Actors’ Gang, a small theater in Culver City. “The real question is what happens next year when there are no financial subsidies left and the new precedents for nonprofits has been established?”



The Fountain transformed its parking lot into an outdoor theater. Credit...Philip Cheung for The New York Times

“For me the essential question is how AB5 went from a bill meant to address the nonprotection of gig workers (Lyft and Uber, etc.) to a bill that is bullying nonprofit theater companies?” he asked in an email.

Susan Rubio, the Democratic California senator who is sponsoring the bill to set up a state agency and pushing for the \$50 million subsidy, argued her approach would help the industry survive these challenging times.

“Many have concerns and will continue to have concerns,” she said in an interview. “But California prides itself in taking care of its workers.”

Grossman said he is hopeful that the Skylight will begin live performances by the fall. But other theaters are not as optimistic.

Jon Lawrence Rivera, the founding artistic director of Playwrights’ Arena, which only produces the work of Los Angeles writers, said he was resigned to a difficult few years. Before the crisis, the Arena would fill 90 percent of its 50 seats. “Now, I’m thinking 30 to 40 percent capacity at the most,” he said.

Most ominously, he worries that emergency grants will dry up as things return to normal.

“The resources that we have been able to accumulate will disappear within two or three shows,” he said.

The pressure to open is intense. The Hollywood Bowl staged its first public shows at the beginning of July, and in August, “Hamilton” is coming back to the Pantages Theater, with 2,700 seats, in Hollywood.

Some theaters took advantage of the California climate and headed outside. The Wallis Center for Performing Arts in Beverly Hills recently reopened with a show on a pop-up outdoor theater it built on a terrace — “Tevye in New York!”

The Fountain Theater, which has 80 seats, transformed its parking lot into an outdoor theater, and opened last month with “An Octoroon.” Bright red bushes of blooming bougainvillea offered a lush wall on one side of the seating area as cars buzzed by on Fountain Avenue and the occasional helicopter rumbled overhead. “Mufflers!” grimaced Rob Nagle, one of the actors, without breaking out of character, as a particularly deafening motorcycle roared by.

There seems to be a resignation that many small theaters will face a hard time. “We know once the smoke clears some of them won’t be reopening,” said Mitch O’Farrell, a member of the Los Angeles City Council whose district includes many of the theaters.

But Grossman said for all the concern — and the likelihood that some theaters would not reopen — he was confident that in the end, this scrappy culture would survive. “We are like cockroaches,” he said. “You’re never going to get us. We are going to sustain. But it’s going to be tough.”