

# LOCAL VOICES ON LOCAL NEWS:

Community Perspectives and Policy Recommendations for Strengthening San Francisco's Journalism Ecosystem

"I think local news is really, really wonderful and if I can viably find more of a way to support it financially, I would do that. I wish somehow there was more funding for these papers."

"If we want community newspapers, we have to support them with community dollars."









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# Introduction

The story of local news in San Francisco tracks with the larger narrative of local news across the country, and the world: with the business model broken by the internet, saddled with debt from consolidation and changes in ownership, acquired and bled dry by hedge funds, newspapers have shuttered or lost nearly all of their reporters. There have been layoffs for years at *the San Francisco Chronicle*, the last one as recently as last October, leaving the newsroom with a fraction of the staff it had two decades ago. These trends are even worse across the nation. Approximately 2,900 newspapers have closed since 2005, and there are 204 counties without any local news outlet, many of them areas with high poverty and low broadband access.¹ Those newspapers that remain produce significantly less original reporting, and the growth in digital and other startup outlets has not nearly kept pace with the loss.

All that is true, but it's not the whole story.

### WHAT DO WE MEAN BY "COMMUNITY AND ETHNIC MEDIA"?

Community media refers to media that service a specific geographic area or some other community of interest. Ethnic media refers to media that serve a community based around race/ethnicity, often in a language other than English. See <a href="majorage-appendix">appendix</a> for more detail about these definitions.

<sup>&</sup>lt;sup>1</sup> Penelope Muse Abernathy, "The State of Local News: The 2023 Report," The Medill Local News Initiative, Northwestern University, accessed Feb. 15, 2024, <u>localnewsinitiative.northwestern.edu/projects/state-of-local-news/2023/report</u>

We're also seeing a resurgence and reinvention of local news across the country. Digital startups are popping up to cover neighborhoods, major metros and state governments. Ethnic media outlets are finding greater readership and community support, and finding creative ways of adapting their business models. There has been a boom in nonprofit news outlets, and hundreds of millions of dollars in philanthropic funding committed to supporting them.

More broadly, there is a growing awareness that local news is necessary for democratic participation, for functioning and accountable local government, and for healthy and engaged communities. News organizations are beginning to reckon with their legacies of racial discrimination and harmful coverage, and they've begun listening to and engaging with communities<sup>2</sup> in new ways, rethinking what news is, who can make it, and how it can be delivered.<sup>3</sup>

This report documents a community listening process California Common Cause undertook over five months, from September 2024 to January 2024, to understand the City of San Francisco's news landscape and the information needs of its communities. San Francisco is home to a diverse set of independent publishers covering local neighborhoods and providing vital information and civic power to the city's diverse people. Even as the daily papers have lost most of their reporting power and its alternative weeklies have closed down, these outlets have endured, or risen from the ashes. They are a mix of print and digital, embracing whatever channels make sense—newsletters, radio, social media, podcasts and text messaging—to reach their audiences. These organizations are part of a larger movement of collaborations and collectives, experimenting and finding traction with reader support, philanthropic funding and advertising that are collectively building the next era of local news.

Central to the story are the people of San Francisco who continue to seek out local information to navigate their lives and access resources, to help them connect and engage with their communities and make their political voices heard.

This report, known as a community information needs assessment, put us in touch with more than 175 people across the city through 12 focus groups and 26 interviews. In it, we share what regular San Francisco residents are saying about their news needs. We also share the voices of independent publishers who are members of Bay Area Independent Community Media Coalition, a group led by California Common Cause to explore ways to work collectively to bolster the city's local news ecosystem through cooperation and policy advocacy.

In service of San Francisco's diverse, vibrant communities and the news organizations that serve them, we also explore a set of policies that can bolster and preserve local news in our city. In New York, Seattle, Chicago, New Jersey – and here in California – journalism advocates are exploring structural solutions to the local news crisis that could ensure communities have the news and information they need for health, equity and democratic participation.

While this report focuses on San Francisco, it aspires to be a model for other communities in the Bay Area region and beyond who wish to do similar studies and to strengthen the community-based local news that helps all of us thrive. Our hope is that you, your neighbors, and your elected representatives will use this report to consider ways your city or state can come together and take action.

<sup>&</sup>lt;sup>2</sup> Josh Stearns and Christine Schmidt, "How We Know Journalism Is Good for Democracy," Democracy Fund, Sept. 15, 2022, <a href="democracyfund.org/idea/how-we-know-journalism-is-good-for-democracy">democracyfund.org/idea/how-we-know-journalism-is-good-for-democracy</a>

<sup>&</sup>lt;sup>3</sup> Emeri Burks, "News media's racial reckoning," University of Missouri School of Journalism, Jan. 18, 2023, <u>journalism.missouri.edu/2023/01/news-medias-racial-reckoning</u> and City Bureau, "Our Mission," accessed Feb. 15, 2024, <u>www.citybureau.org/our-mission</u>



# **EXECUTIVE SUMMARY**

This Community Information Needs Assessment was built on extensive and careful listening. California Common Cause helped facilitate 12 focus groups in English, Spanish, Cantonese, and Tagalog, in partnership with community-based organizations, and had over a dozen conversations with community news publishers. Responses were assessed for themes and categorized according to barriers to and concerns around getting local news and information. Public policy solutions aimed to close the civic information gaps in San Francisco were discussed, as were opportunities for longer-term partnerships and collaboration. Through this process, we hoped to capture the knowledge and experience of residents while informing our policy recommendations in a way that most appropriately meets the needs of San Francisco's diverse community.

### What we heard from the community:

- People say they appreciate substantive local reporting and want more of it. Many people complain
  that it is difficult to find unbiased news about local government and politics, or coverage of the arts.
- Participants have noticed that the city's major media outlets produce less reporting on civic issues, and that newspapers produce less content in general. They also noted that professional reporters seem to provide less historical context to present-day issues than they used to.
- Many people turn to non-traditional sources of information, such as social media accounts, advocacy organizations, community-based organizations, individuals active in politics, and people they know.

These sources satisfy some of their needs, but many people are aware that information from these sources is unverified. They also expressed concern that algorithms designed by for-profit companies shape the news and information they see.

- People want news media to share information that will help them improve their lives, make people
  more aware of available resources and programs, and draw attention to injustice and inequity in order
  to bring about change and accountability. Latinx and Filipino residents in particular stressed the need
  for more coverage of wage theft and workers' rights.
- Voters find it difficult to access timely, independently produced information about candidates' records and policy positions. Much of the information they receive comes from campaigns or other moneyed interests, and news coverage of elections often fails to dig into political narratives or provide historical context.
- Media attention is unequally distributed across the city's neighborhoods. We heard from people in lower income neighborhoods say they wish the news would pay more attention to their communities, and they want coverage to focus on community solutions.
- People are aware that their families and neighbors face barriers to information access due to technology or language. Those who are most civically involved said they feel the most informed.

#### Views from the newsrooms:

- The most notable change in the local news scene over the past 20 years may be the shift from competition to cooperation. Every publisher we spoke with shared examples of collaboration or mutual support between news outlets, most often through sharing content or helping peers access advertising opportunities.
- Distribution is a challenge. Readers' attention is spread across many different platforms. Facebook
  has deprioritized news, dramatically reducing referral traffic. Loss of the city-owned newsracks has
  reduced newspapers' visibility and access points. Outlets are turning to new and non-traditional
  techniques to reach readers, including email newsletters, text messaging, podcasts, and content
  sharing.
- The cost of producing print newspapers is rising, but print advertising is still a bigger source of revenue than digital ads. This is one reason publishers have had to be creative about other forms of revenue.
- Some publishers have made their businesses more stable by converting to nonprofits, creating nonprofit arms, or finding fiscal sponsors that allow them to collect tax-deductible reader contributions.

### What should we do? Policy options to support local news:

- The Bay Area Independent Community Media Coalition is fighting for a media policy solution that would increase the proportion of advertising the City of San Francisco purchases in local community and ethnic media. Similar policies have been adopted in New York City, New York State, Chicago, and Seattle.
- A 2023 report from the Budget and Legislative Analyst (BLA) Office found that the bureaucratic
  processes involved in San Francisco's advertising contracts make it difficult for city staff to place
  advertising, especially in small, independent outlets. Local publishers confirmed that City processes
  make it so difficult to access advertising contracts that many do not bother to try.
- Out of a list of 98 local print and digital media outlets the BLA compiled, only seven received city advertising, according to data in its financial system.
- Unlocking city advertising dollars for local community and ethnic media will help ensure that city

advertising campaigns not only reach their intended audience, but that an essential segment of the city's media landscape would receive the income it sorely needs in order to keep those very audiences informed.

- Many city departments purchase ads through a third-party, such as an advertising agency. Ads placed through third-party vendors are apparently not categorized as advertising in the city's financial system, making it extremely challenging to determine exactly how much the city spends on advertising overall.
- Increasing city government advertising in community and ethnic media will require dedicated effort to streamlining the city's processes to make them simpler for city staff and local publishers to navigate.
- The city should hire a full-time liaison to make the process more efficient and to make city advertising
  opportunities more accessible to local news providers. It also recommends that liaison develop a
  directory of local, independent, and ethnic media outlets.
- Our research found that city staff have many of the same complaints about the system that publishers
  do. They too want to make the process easier and want to advertise in local outlets that better reach
  San Francisco's marginalized communities.



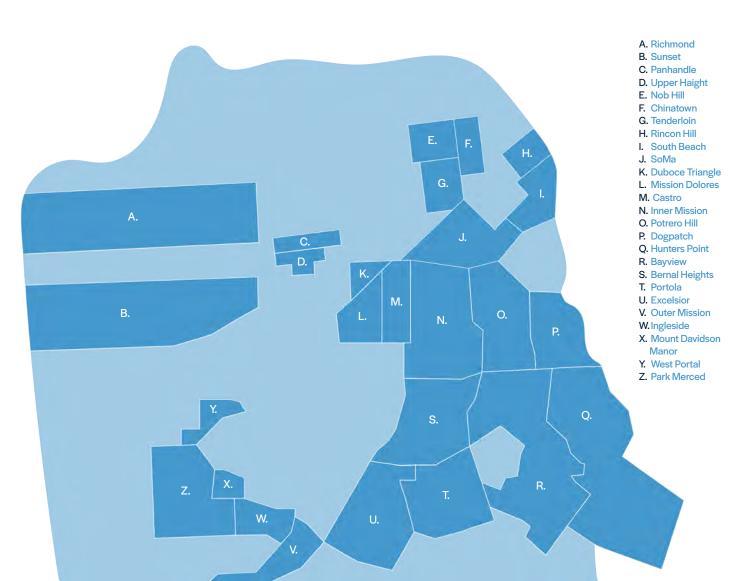
# What We Heard

San Francisco residents have a lot to say about local news. Our community listening process assembled focus groups, both in-person and online, with approximately 150 people from 26 neighborhoods across the city.

We worked with community organizations to recruit participants, each of whom was paid \$50 for 90 minutes of their time. We made a special effort to recruit participants from across San Francisco's racially and ethnically diverse communities. Soma Pilipinas co-hosted one group on Zoom in English and Tagalog. Acción Latina co-hosted two groups in Spanish at their office in the Mission. Chinese for Affirmative Action co-hosted two groups in Cantonese in Chinatown. Native American Health Center co-hosted one group at their office in the Mission. San Francisco Housing and Development Corporation co-hosted two groups at a residence in Hunters Point. Four groups were conducted in English, on Zoom, with recruiting done through email and with support from members of the coalition. We also conducted one-on-one interviews with individuals, many of whom work in the nonprofit sector.

We heard from self-described "news junkies" and those who avoid the news. We also heard from people who have trouble finding news outlets. We heard from ordinary people and those who are politically engaged. Their source of information and their perspectives were as diverse as they were.

Here's what they had to tell us. (In some cases, direct quotations have been edited for clarity and concision.)



BY THE NUMBERS  A by-the-numbers summary of our community listening process			
12 Focus Groups	26 Neighborhoods	Community Partner Organizations	
4 Languages	18 Individual Interviews	175 Total Community Listening Participants	

### **HOW PEOPLE SEE THE LOCAL NEWS LANDSCAPE**

San Francisco's local news landscape has changed dramatically over the past few decades.

The city's two daily print newspapers, *The San Francisco Chronicle* and *The San Francisco Examiner*, have changed ownership and seen their newsrooms dwindle down considerably – reflecting the general trend of metro newspapers across the country. The storied alt weeklies, *San Francisco Bay Guardian* and *SF Weekly*, have shuttered. And a host of digital startups have come and gone, with a few showing staying power.

Our community listening found people were aware of these changes.

"I've heard quite often the last few years that local media is under attack and there's all these venture capitalists who are buying media companies, stripping them down, basically shutting them down after they get whatever money they can out of 'em. I think I heard something like 18,000 local media sources have folded in the last decade. I mean, it's astounding how much it's disappeared in our local media."

Potrero Hill Resident

"When I came to San Francisco in the 1970s, there were two vibrant dailies. *The Examiner* faded a fairly long time ago. For a while I was afraid that *The Chronicle* was going to go under as well. Even if you don't get *The Chronicle*, not having *The Chronicle* would be a big loss for people."

West Portal Resident

"I've lived in San Francisco since 1990, and I would say that the [local news] landscape has radically changed. I feel like today there's so many smaller sources. The sources are so much more biased, either be in the articles themselves or just what they're choosing to cover and what they're choosing not to cover. I don't think it's a San Francisco problem. It's a how-do-you-pay-for-news problem that we have nationwide. It leaves the news consumer in a much worse space."

**Outer Mission Resident** 

People had plenty of praise and criticism for *The Chronicle*, as one would expect considering its prominence as the city's paper of record. People praised its investigative reporting.

"I really rely on *The Chronicle* a lot. And I think their investigative reporting is awesome. I really do. I mean, they've done a lot on homelessness."

**Excelsior Resident** 

Others noted those investigations are fewer and farther between than they once were. One digital subscriber had this to say:

"The beginning of the downturn of San Francisco was when *The Chronicle* stopped being a real newspaper. They seemed to stop investing in the newspaper. It's part of the nationwide trend that everybody reads about."

Park Merced Resident

A number of people said they now turn to *The San Francisco Standard* to fill their daily news needs. *The Standard* is a digital daily news startup that launched in 2021 with funding from billionaire venture capitalist Michael Moritz. The outlet has resources and newsroom staff that put it in direct competition with *The Chronicle*.

"I would consider *The Chronicle* the paper of record for the city, for better or for worse. So I pretty much check that website hourly, mostly to read headlines. It's been my experience, *The Chronicle* doesn't have the resources or the interest to go in depth on any one thing. It's not uncommon to sort of read an article in *The Chronicle* that's two paragraphs long. And so I think I've been inclined lately to spend a lot

more time reading *The Standard*. I feel like they go into much greater detail. And it's hyperlocal too."

Upper Haight Resident

Other digital publications have emerged in the past several years to cover the daily news. People mentioned *The Frisc*, *Hoodline*, *SFist*, and others.

Many people lamented the loss of its alternative newsweeklies, *The San Francisco Bay Guardian* and *SF Weekly*. *The Guardian's* spirit lives on in the online outlet *48 Hills*, founded by its executive editors Tim Redmond and Marke Bieschke, but its output and visibility is much reduced. *SF Weekly* still nominally exists online under Clint Reilly Communications' ownership of *The Examiner*, but few people in our focus groups were aware of it.

The Bay Area is rich in media that serves immigrant communities, often with a mix of regional, national and international coverage — all of which is important to members of diasporic communities. Yet there's also a need for local news among these communities.

For instance, *The Filipino American Post*, based in Daly City, provides English-language coverage of the Bay Area region mixed with news from the Philippines, and *Asian Journal* has three offices in California, providing English-language coverage of San Francisco and Northern California along with national and Philippines news. Yet we heard from members of San Francisco's Filipino community that the city is missing a trusted source of *local*, in-language news coverage about and for Filipinos.

"Wala na po akong nakikita na Filipino newspaper sa ngayon. Sa ngayon parang wala na yatang mapapagkakatiwalaan sa ngayon na news./Idon't see any Filipino newspapers at the moment. Right now it seems like there's not really news that we can trust."

**Mission Resident** 

In general, people talked about the lack of historical and institutional knowledge among news reporters, given high turnover in newsrooms, which some said leads to gaps in the information or context in reporting.

"You can tell that the people who write are just really newcomers. They don't know much about the history of the city and they don't write in depth."

Ingleside Resident

One person described the way she now fills those gaps by following individuals who are directly involved in politics:

"I don't do a lot of social media, but there are a couple of people I know who've been active in city politics for years and years and regularly

update on social media, so I'll follow them specifically. These are people who are able to say, 'We're having a fight over this parcel of land, but 20 years ago we were having the same fight.' And that's actually important information that's not being covered in local journalism anymore. What is the history of these fights? We're missing all of that historical, institutional knowledge. So these individuals become very, very important sources of information."

South Beach Resident

We also heard from people who say there's a major gap in well resourced, independent daily reporting without a political agenda.

"There's so much propaganda in the news. I'm pretty left wing personally, but I try to get news from many different sources and then try to verify. And in San Francisco, we have alternate newspapers, but we don't have a real newspaper."

Richmond Resident

"In San Francisco, there's not balanced journalism. There's completely slanted and biased journalism that supports the ruling class, the real estate lobby, the tech bros – they actually fund their own media, and there's a lot of pandering to their perspectives. Our media tells people what they should do and what positions they should take. It's the worst I've ever seen it."

Nonprofit Leader

### **HOW PEOPLE GET LOCAL NEWS AND INFORMATION**

People described a jumble of sources and media formats that provide an overwhelming amount of information, yet at the same time, less and less that's local, relevant, and addresses their questions and concerns.

"Backin the day, there wasn't this whole avalanche of data or information of misinformation, whatever you want to call it, coming in from the

internet and various other sources that are using the internet to provide news or opinions."

**Dogpatch Resident** 

As newspapers have gotten thinner and harder to find, and as social media has introduced endless content, community members struggle to find the sources they used to rely on. The many different options for consuming news can make it feel like a lot of work to find out what's happening.

"I'll bump into somebody and they'll say, this is going on, or that's going on. But I really don't see it in the paper nowadays. Back in the day I would read *The Chronicle* and the other newspaper, but now it's kind of harder.

Mission Resident

People said hyperlocal, neighborhood-level news is particularly scarce, and they're not necessarily satisfied with the avenues they have to find it.

"For local things like, 'Hey, what's that weird noise down the street that's happening?' I will go to *Nextdoor*. Even though for the most part, it is a strange pit to find yourself in."

**Duboce Triangle Resident** 



Many people said they get news through social media, but they're concerned about the accuracy of information they receive that way.

"Online apps for entertainment is OK, but for news I would rely on actual newspaper."

Chinese Focus Group Participant

Social media companies aren't transparent about what their platforms emphasize or suppress, and users don't have little control over what shows up in their feeds.

"[Getting your news from] social media is dangerous because you're surfing on a wave of an algorithm that you don't see or understand, and it shifts from week to week based on the bottom-line needs of a company. It's pretty crazy when you think about it."

Community Organizer

### **How San Francisco's Chinese Speakers Find Local Information**

There are three major national/international Chinese language publications circulating in the Bay Area:

- Sing Tao Daily is owned by a Hong Kong-based company and is distributed globally. Sing Tao has correspondents in some U.S. cities, including the San Francisco Bay Area. Sing Tao and Sing Tao radio were the sources most often mentioned in our Chinese language focus groups. It's worth noting that the U.S. Justice Department found the outlet to be so actively supportive of the Chinese government that it ordered the company to register as a foreign agent.
- World Journal is owned by a Taiwan-based news corporation and has no ties to the Chinese government. Its editorial point of view is pro-Taiwan. World Journal has some reporters based in the U.S., including in the San Francisco Bay Area.
- China Press is the youngest of the three nationally-circulated papers, about 30 years old, and was founded by the Chinese government. They primarily cover stories related to China.

Former *World Journal* reporter, Portia Li, says readers of the three major international newspapers have a clear sense of each outlet's political perspective. "These three papers have their own readership within the Chinese community in the U.S. related to the readers' immigration background," she says. Li founded *Wind Newspaper* in 2020 to provide original local reporting about San Francisco in Chinese and English.

Asian-language broadcast TV channel KTSF26 came up in our focus groups as a popular source of local news. Locally owned, it reaches households across Northern California.4

<sup>&</sup>lt;sup>4</sup> About KTSF," KTSF26, accessed Feb. 15, 2024, www.ktsf.com/about-ktsf

The social media platform WeChat is essential for Chinese speakers all over the world. Users do everything from messaging to ordering food and movie tickets to paying for services. Feports have estimated that there are 19 million WeChat users in the United States.

Our conversations confirmed WeChat's popularity among San Francisco's residents.

"Usually, I receive news through KTSF26 and through a WeChat group that shares out San Francisco community news."

Chinese Focus Group Participant (translated from Cantonese)

Chinese for Affirmative Action has warned that WeChat is vulnerable to misinformation and disinformation, in particular to right-wing disinformation campaigns, especially given the closed nature of the platform.<sup>7</sup>

Censorship and surveillance are also a major concern. The Chinese government owns a stake in WeChat's parent company, and the app shares user data with the government. So while it's useful for sharing basic information, it has limitations as a platform for independent, politically sensitive reporting. Yet U.S. government moves to ban WeChat are highly controversial within Chinese American communities.<sup>3</sup>

Sing Tao Daily, a globally circulated Chinese language newspaper, has a strong presence on WeChat. Li says that she personally does not have a WeChat account, and she doesn't use it as a platform to publish Wind's content or engage with readers.

For those with access to them – and awareness that they exist – neighborhood newspapers are a trusted source.

"I find that the very hyperlocal sources, including the various neighborhood papers like the *Potrero View*, are really good sources of information to know what's going on on a city level and on a policy level. Also that's where I get most of my information about what's going on with development and housing, from very, very local sources.

South Beach Resident

<sup>&</sup>lt;sup>5</sup> Lulu Yilun Chen, "WeChat Is China's Beloved Surveillance Tool," Bloomberg.Com, July 12, 2022, <u>www.bloomberg.com/news/features/2022-07-12/wechat-is-china-s-beloved-surveillance-tool</u>

<sup>&</sup>lt;sup>6</sup> Krystal Hu, "WeChat U.S. ban cuts off users link to families in China," Reuters, Aug. 7, 2020, <a href="www.reuters.com/article/us-usatencent-holdings-wechat-ban/wechat-us-ban-cuts-off-users-link-to-families-in-china-idUSKCN253339">www.reuters.com/article/us-usatencent-holdings-wechat-ban/wechat-us-ban-cuts-off-users-link-to-families-in-china-idUSKCN253339</a>

<sup>&</sup>lt;sup>7</sup> PiYaoBa, "Fake News, Real Consequences: The Growing Threat of Chinese-Language Disinformation" Chinese for Affirmative Action, Sept. 28, 2022, <a href="mailto:caasf.org/wp-content/uploads/2022/09/PiYaoBa-Report-Fake-News-Real-Consequences.pdf">caasf.org/wp-content/uploads/2022/09/PiYaoBa-Report-Fake-News-Real-Consequences.pdf</a>

<sup>&</sup>lt;sup>8</sup> Jeanne Whalen, "Chinese censorship invades the U.S. via WeChat," Washington Post, Jan. 7, 2021, <a href="https://www.washingtonpost.com/technology/2021/01/07/wechat-censorship-china-us-ban/">www.washington Post, Jan. 7, 2021, <a href="https://www.washingtonpost.com/technology/2021/01/07/wechat-censorship-china-us-ban/">www.washingtonpost.com/technology/2021/01/07/wechat-censorship-china-us-ban/</a>; Nicole Hong, "WeChat, Wild Rumors and All, Is Their Lifeline. Washington May End That," New York Times, Oct. 5, 2020, <a href="https://www.nytimes.com/2020/10/05/nyregion/us-wechat-ban.html">https://www.nytimes.com/2020/10/05/nyregion/us-wechat-ban.html</a></a>

To understand how people get information, it helps to first step back and consider what they need to know to live their lives. Many people in our study are economically vulnerable, and we heard their firsthand accounts of struggle with housing, access to resources, and mental and physical health.

Public safety and general quality of life issues like clean streets and safe places for children to play were very high on the list for San Franciscans in every neighborhood.

"SoMa, like the Tenderloin, is kind of ground zero. Seniors are confronted with those realities every day, and they feel more vulnerable when you add to that the attacks against Asians."

Filipino Community Organizer

In the absence of established news outlets that carry robust reporting about their local communities, many people rely on nontraditional information sources to get the information they need.

Several people mentioned the *Citizen* app, which provides hyperlocal alerts and crowdsourced accounts of crime. Some said they get valuable local information through flyers, bulletin boards and programming at the buildings where they live. This was especially true for people who live in public or subsidized housing developments that have dedicated staff. In one of our focus groups, people shouted out the staffer who helped arrange the conversation as a dependable source of information. She replied by describing that aspect of her job.

"I'll reach out via text. If I know you and I see you in the streets, I'll reach out to you. That's how I get to know this community. If you don't do outreach, if you don't go out and knock on doors, you'll never get to know these beautiful people."

San Francisco Housing Development Corporation (SFHCD) staffer

Many people said they get valuable information from community organizations, advocacy groups, neighborhood newsletters, and sometimes individual people they trust. Some people expressed stronger trust in community organizations than in the news media, but others were aware that the information they get from these sources is not always verified, or that they may need to filter facts from political agendas.

"Local organizations can give you insights into things that you might not know otherwise. I'm not a big fan [of the group's views] but I stay on their list so I can see what they think is important."

West Portal Resident

"I get emails every morning about news, but mostly all of my news comes from the community organizations I work with."

SoMa Resident

"I find that they're [advocacy group] telling me things that are happening that nobody else is necessarily telling me. And that's helpful, even though, in fact, I frequently don't necessarily agree with their perspective. At least they're giving me that information."

**Outer Mission Resident** 

People who are active on social and political issues felt they had more direct information about what's happening.

"Working with folks in your community groups or in political organizations is a powerful way both to get information and then articulate your position through the group to people with power."

Bayview Resident

### WHAT PEOPLE WANT MORE OF

People said it's urgent that they have information about things that affect their daily lives and their ability to make a living, including development projects and construction that will have an adverse impact on their homes. Members of our focus group from the historically Black neighborhood of Hunters Point said that construction tends to cause vermin to migrate to their homes, and crews leave dangerous debris in vacant lots where children play, causing injury.

"We deserve to know in each of these areas what's being built and who's doing it. We need to know that because [...] we suffer."

Hunters Point Resident

People wanted the news to generate better awareness of what resources are available, what city programs people could access if they knew about them, like someone to examine and care for the trees, a transportation shuttle program, health and exercise classes. They also want coverage to reflect the positive things happening around them.

"I'm sick of hearing about people dying, people getting shot, robberies. I wanna see them focus more on individuals that are doing something with their lives, especially in our neighborhood."

**Hunters Point Resident** 



Voting and election information came up frequently. People expressed a desire for basic information about candidates and ballot measures that's independent from any campaign. They need it to be relevant and timely.

"Everybody knows about early voting and it's constantly a disappointment to me that it's just hard to find relevant information in time for people who vote absentee."

**Richmond Resident** 

"It's very hard to actually go and find, for the people who have been in office, what their actual voting record has been, what bills they sponsored or voted for, in order to understand what their actions have resulted in versus just what they keep saying in campaign promises."

Rincon Hill Resident

People want independently verified information to combat political spin and misinformation from political interests that operate without transparency.

"We're under assault from Big Money. They're trying to shape arguments as well as shape public opinion through these big-money, anonymous, you can't trace who really sponsored it type of surveys."

**Outer Richmond Resident** 

"We get so much paper information sent to us in the mail. Some of that information is designed explicitly to confuse people as to what they're voting on and why they're voting on it. You used to be able to get the newspaper and open it up and look at who was pushing which propositions or supporting which propositions and which candidates, and you could look at different newspapers and get that different information, more progressive or more conservative as you want it to understand the different viewpoints. I feel like that whole system is now just not what it used to be."

**Outer Mission Resident** 

Many people, especially participants in our Spanish-language and Filipino focus groups, expressed a desire for reporting on issues that affect workers, including wage theft, safety, and legal rights.

"En los trabajos, está sucediendo mucho abuso de muchas personas que porque están llegando, no tienen documentos, necesitan pagar la renta y los ponen a trabajar. Y si llegara un noticiero y decir, 'Bueno, conoces tú derechos, sabes a qué te mereces?' Todo eso no sucedería. / At work, there is a lot of abuse happening among many people who, because they are arriving, do not have documents, need to pay the rent and are put to work. And if a news program came and said, 'Well, you know your rights, you know what you deserve?' All that wouldn't happen."

Mission Resident

The Filipino Channel, a privately owned media company serving the global Filipino diaspora in English and Filipino, used to be accessible to Bay Area households and covered some local events in San Francisco. Today, the channel is available only through a paid subscription and no longer does local coverage. Community organizers reflected on the impact that TFC's coverage once had:

"I used to do workers' rights advocacy, and we did a lot of cases for caregivers that were being exploited and not getting paid. Every time we had a legal victory or a settlement, or a protest around a bad employer, that channel would cover the story. That really helped get the word out and bring more workers and caregivers out from the shadows to talk about their issues. That local aspect of having a news source that will cover these things, and that also distributes the information widely and freely, was super important."

A participant in a Spanish focus group articulated the power of journalism to draw attention to injustices and bring about change.

"Hay muchas personas se quedan calladas por el miedo. Pero al estar una noticia haciendo público lo que le está sucediendo, pienso que muchas personas alzarían la voz también porque eso otras personas lo van viendo y luego nos estamos enojando y diciendo no nos gusto que esté pasando esto. Entonces la comunidad se une porque para eso son los medios de comunicación para darles información, y las personas, los trabajadores para unirse, no para estar divididos.' / There are many people who remain silent out of fear. But when there is news making public what is happening to them, I think that many people would also raise their voices because other people are seeing it and then we are getting angry and saying we don't like that this is happening. Then the community comes together because that is what the media is for, to give them information, and the people, the workers, to unite, not to be divided."

Mission Resident

People expressed a desire for more investigative coverage.

"What I think is also missing is some solid investigative journalism, people digging in and exposing things and helping with some of the deep-rooted problems with our city. There's quite a bit of corruption at high levels, and squandering of our tax dollars. I work in a public entity and it's rampant. It'd be nice for people to be investigating that locally."

Bernal Heights Resident

"It feels like our bureaucracy's kind of broken, and there's so many hoops to go through to just do basic things. It doesn't make sense. Where's all the money going to? is my question."

Nob Hill Resident

They pointed to the need for coverage that picks apart political narratives and received wisdom to find out the facts.

"I think there needs to be more wider-spectrum reporting. For example, the whole issue of crime, clearly there's a homeless crisis, drug crisis on the streets, but the fact is that a lot of crime has gone down over the past few years and not just with the pandemic. We don't see that. So yeah, problems get reflected in the media, but without more and better journalism, it tends to be a self-perpetuating cycle. That's what gets clicks or eyeballs. So much context has been stripped from our news just in general, locally, statewide, nationally, internationally."

South Beach Resident

"We keep hearing so much about how our police are understaffed. And yes, we are, based on legislation, but when it comes down to how many officers we have per population, we have a lot more officers in San Francisco than a lot of other Bay Area counties and cities. I'd like some kind of investigative reporting done on that just to really kind get to the nuts and bolts of it, as opposed to, 'Everything is going downhill. We need more police officers, we need more foot patrol.' To look more at the bigger picture and really address it as opposed to reactionary responses.

Lower Nob Hill Resident

Several people pointed to the work of *The Chronicle, SF Standard*, and to *Mission Local* as strong sources of investigations. But they said more is needed. Some also noted that even when good investigative journalism is done, it doesn't always reach people or have as much of an impact as it should.

Media attention is unequally distributed across the city's neighborhoods. We heard from people in lower income neighborhoods say they wish the news would pay more attention to their communities.

"They're not coming here getting the news and sharing it. We're hearing what's going on everywhere else. That's a problem."

**Hunters Point Resident** 

"Sometimes I feel like I hear from the community first things that are happening in the neighborhood or in local politics. And then I'm like, 'Why is no one covering this? Why isn't there enough attention about this issue?' I think there's a gap."

SoMa Resident

The kind of attention matters. Instead of stories that emphasize problems, they want the news to be part of finding solutions.

"I feel like we're forgotten about. Everybody talks about how bad it is, but they don't help. Our kids can't even go outside. Why can't we get help instead of them complaining about us all the time?"

**Hunters Point Resident** 

"Sería bueno que las noticias llegaran a nuestro barrio a preguntar cuáles son las necesidades, cuáles son nuestras preocupaciones para poder ayudarlos. A mí me gustaría algo así de que uno hicieron fuera a caminar alrededor nuestro de nuestro área y hablar de las necesidades./ It would be good if the news reached our neighborhood to ask what the needs are, what our concerns are in order to help them. I would like something like that where someone would go out and walk around our area and talk about the needs."

Mission Resident

People also noted that arts coverage has diminished since the alt weeklies stopped printing and been largely cut from the dailies. They asked for health and safety information—one person wanted to know which restaurants have invested in better air filtration and HVAC systems so the public can support them. And there were desires for coverage of local businesses and entrepreneurs.

And several people pointed to *Mission Local* as an example of neighborhood news with strong original reporting, a mix they'd like to see in their own neighborhoods.

"If I had any kind of news, I'd probably go with something like *Mission Local*. Even though they cover a lot of areas outside of the Mission, they're basically Mission-based. So it'd be kind of fun to see something like that downtown. It'd be nice to see it in the Richmond, it'd be nice to see it in North Beach, to build that kind of community reporting."

Lower Nob Hill Resident

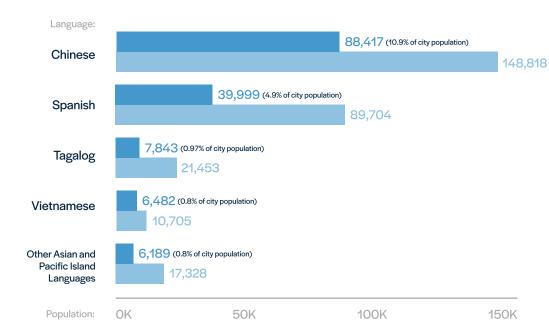
# **CONCERNS ABOUT INEQUITY AND ACCESS**

### **Language Access Matters in San Francisco**

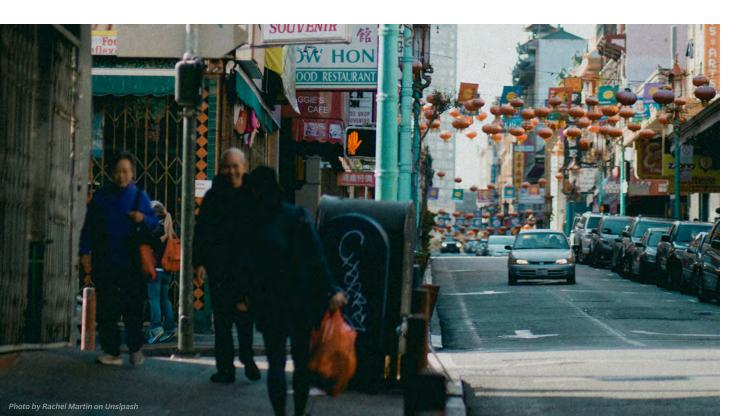
One in five residents of San Francisco has limited English proficiency

Total City Population: 808,437





Source: U.S. Census Bureau, 2017-2021 American Community Survey, provided by the City of San Francisco. Percentages are the author's calculations.



Many people expressed concern about the cost to access news, whether it's the \$3 newsstand cost of *The Chronicle* or online subscriptions.

"Unless you subscribe to certain email newsletters, a lot of good news is hidden behind a paywall. I know how to figure out how to bypass a paywall, but morally, you don't feel very good about it. But it's also pretty expensive.

Nob Hill Resident

Information that's freely available online feels incomplete, people said.

"Whatever you read on the internet, you're not getting all of the information, you're just getting the little basic part they put in free."

**Hunters Point Resident** 

People saw a connection between who has access to news and which communities receive consistent news coverage.

"One thing that does kind of concern me is that there is still a large amount of people even in San Francisco that don't have access to online magazines and options like that. It's concerning that some of those communities aren't receiving the same amount of news and other information that a lot of us who can access things online can get. Also along those same lines, I feel that the whole demographic is also not being reported on. The community-based information we're receiving is very much towards one part of the community. We're ignoring or not really hearing a lot about other communities."

Lower Nob Hill Resident

People are aware that their families and neighbors face barriers to access due to technology or language. Younger people expressed concern that elders are isolated given the amount of information that circulates digitally. In our Cantonese and Filipino focus groups in particular, people said they frequently have to translate basic information for themselves, or they see material that's been badly translated, which presents the same problem.

"Para la mayoría de nuestras comunidades, es importante del idioma para llevar el percent de la comunidad. El idioma es una barrera. / For

most of our communities, it is important to use language to keep up with the community. Language is a barrier."

Mission Resident

Informal community sources are largely based on relationships and involvement with the community; that means people who are less connected and less involved will have less access to those forms of information, which can contribute to feelings of isolation.

San Francisco used to have city-owned, ad-free newsracks around the city where people could pick up newspapers. Clear Channel had a 20-year contract with the city's Public Works department to manage them, and newspaper publishers could rent space at a rate of \$50 per box per year. But in 2022, that contract expired, and the city didn't renew it, citing the nuisance of trash and graffiti and the decline of print publications. The company removed the racks, and publishers since have had to either front the cost of installing, maintaining and paying for insurance on their own newsracks, or forgoing street-level distribution.<sup>9</sup>

Some community members told us the loss of the newsracks has left them confused about where to find the publications they used to read.

"I used to be able to pick up *the San Francisco Examiner* and *El Tecolote* at the newspaper stand at the corner of 16th and Mission. All of a sudden, one day, the city just up and took away all our newspapers. It's like somebody deliberately wants us in the dark."

**Mission Resident** 

## A DESIRE TO SUPPORT LOCAL NEWS

Having told us what they wanted from local news, people said they were eager to find a way to support it. And while no one had a clear idea of exactly how to do that, they had a sense that buying subscriptions or making individual financial contributions wouldn't be enough.

"I think local news is really, really wonderful and if I can viably find more of a way to support it financially, I would do that. I wish somehow there was more funding for these papers."

Castro Resident

Julia Gitis, "SF Is Removing Its City-operated, Ad-free News Racks," Mission Local, September 3, 2022, <u>missionlocal.</u> rg/2022/09/san-francisco-removes-its-last-city-operated-ad-free-newsracks



Photo by Piotr Musioł on Unslpash

"If we want community newspapers, we have to support them with community dollars."

Nob Hill Resident

"I don't know what the answer is, but whatever way that local government could come up with consistent funding for smaller local media, if that's a government-sponsored program, grants or whatever, I think that needs to be looked into and promoted as much as possible."

Potrero Hill Resident

In "What Should We Do? Policy Options to Support Local News," we explore public policies to address that question.

# **Views From the Newsrooms:**

# Perspectives From Independent Publishers

We spoke with more than a dozen local community news publishers about their perspectives on San Francisco's local news ecosystems, and how they see their organizations' roles in it. All are members of the Bay Area Independent Community Media Coalition, but no two publications are alike. Some are less than five years old, while some have been around for decades. They told us their challenges and aspirations and gave us their views of San Francisco's local news landscape. See below to learn more about these publications.

### A MOSAIC OF INDEPENDENT PUBLISHERS

These publications are members of the Bay Area Independent Community Media Coalition. All are independently owned and committed to providing local news. Yet each has its own distinct history and its own role in the local news ecosystem.

### J. The Jewish News of Northern California: The Voice of Jewish Communities

### jweekly.com Founded: 1895

*J Weekly* produces original news coverage focused on the region, while content from the Jewish Telegraph Agency wire service and national Jewish publication, The Forward, provide coverage of the United States, Israel, and the world. *J Weekly* is a nonprofit, and its revenue comes from advertising and sponsorships, reader contributions, and grants from philanthropic foundations.

**Nichi Bei:** Chroniclers of San Francisco's Japanese American Community and Keepers of its History

#### nichibei.org

Founded: Nichi Bei Shimbun in 1899; Nichi Bei Times in 1946; Nichi Bei Foundation in 2009

The *Nichi Bei* community newspaper publishes English-language news for the Japanese American community. In 2009, the organization converted to a nonprofit, the Nichi Bei Foundation, which produces live events and cultural programming that subsidize the news operation. *Nichi Bei* recently began to offer some bilingual content in Japanese.

# El Tecolote: Grassroots Coverage that Builds Bridges for San Francisco's Latinx Communities

*eltecolote.org* Founded: 1970

El Tecolote is a bilingual Spanish and English publication, in print and online, that began as a San Francisco State University student project 50 years ago and has been a nonprofit effort since the beginning. El Tecolote's heart and headquarters are in the Mission District, housed within the grassroots group Acción Latina, which also does cultural arts programming and houses an archive of Latino history. While the outlet is growing its paid staff, volunteers have always been central to its work. Funding comes from advertising, reader donations, paid subscriptions, and grants from philanthropic foundations.

# **San Francisco Bay View:** Serving the Bay Area's Black Communities with Fierce Independence

sfbayview.com Founded: 1976

San Francisco Bay View is a monthly newspaper and online outlet that has been documenting the lives of Black people in the Bay Area for 47 years. Rooted in the legacy of the Black press and the movement for Black liberation, Bay View stays focused on issues of racial justice. With a small staff and roster of freelancers, Bay View has a fiscal sponsor that allows it to receive tax-deductible donations and philanthropic funding.



### Bay Area Reporter: San Francisco's Stalwart LBGTQ News Source

ebar.com

Founded: 1971

Bay Area Reporter is San Francisco's legacy LGBTQ+ newspaper, publishing original local journalism about local politics and civic issues, along with arts and culture coverage that's increasingly hard to find elsewhere. Advertising is its main source of revenue.

### Bay City News: A Wire Service Boosting San Francisco's Local News Ecosystem

### LocalNewsMatters.org and Baycitynews.com

Founded: 1979

Bay City News is a hybrid enterprise including a B2B newswire service for subscribers and an affiliated nonprofit newswire service covering the 12-county Bay Area region. Bay City News Foundation, a nonprofit arm created in 2018, publishes public interest stories, data, and visual journalism, accessible for free and cross-published on the BCN wire, amplifying the reach of its mission-driven journalism.

### **The Richmond Review and The Sunset Beacon:**

San Francisco Neighborhood Newspaper

#### RichmondSunsetNews.com

Founded: The Richmond Review in 1989, The Sunset Beacon in 1994

These are legacy neighborhood newspapers providing original local stories about cultural happenings, local businesses, and local history, while also provide a forum for residents to share their own news and views. Content is available online and through social media, but at heart these are print publications, delivered door-to-door or available at neighborhood businesses. Owner Michael Durand hosts "meet the editor" sessions occasionally at the Outer Sunset Farmers Market & Mercantile and monthly at the One Richmond Office.

## **Broke-Ass Stuart:** A Source for Fun Happenings with a Political POV

### brokeassstuart.com

Founded: 2004

*Broke-Ass Stuart* is a digital outlet that publishes stories about arts, culture, entertainment, events and news and politics stories across its website, email newsletters, social media, and SMS. Founder Stuart Schuffman doesn't consider himself a journalist, but he publishes work by journalists as well as community contributors, all with a pro-worker perspective.

### Mission Local: A Digital Neighborhood News Source with a Sharp Eye on City Hall

missionlocal.org Founded: 2008

Mission Local is a digital nonprofit neighborhood news outlet that's found steady citywide readership thanks to timely original reporting on local government and other civic issues. Founded in 2008 as a project of the University of California, Berkeley's journalism school, Mission Local spun off in 2014 as an independent organization, and just last year, it became a freestanding nonprofit.

### The Ingleside Light: A Digital Neighborhood News Source

### inglesidelight.com

Founded: 2008

The Ingleside Light is part of the younger generation of neighborhood news outlets. Founded as a monthly print newspaper in 2008, *The Light* became a digital only publication in 2019. The site covers news, politics, business, and transportation, including ways local government decisions directly affect neighborhood residents. While advertising and sponsorships are still a significant source of revenue, *The Light* has shifted its revenue strategy toward a membership program, so that readers support the work directly. Founder Alex Mullaney now works at *The San Francisco Standard*, but continues to own the paper.

### San Francisco Public Press: Deep Dive Investigative Reporting in the Public Interest

## sfpublicpress.org

Founded: 2009

San Francisco Public Press is a nonprofit news organization dedicated to investigative, non-daily journalism. It publishes original, data-driven investigations into issues like homelessness, drug overdoses, and the impact of climate change, as well as nonpartisan voter guides to local elections, on its websites and through partnerships with other news outlets. SFPP also holds the license to low-power radio station KSFP, broadcasting original audio content and offering a platform for other local, noncommercial community programming. KSFP shares the 102.5 FM frequency with another community nonprofit, which holds its own station license. The organizations alternate broadcasts in six-hour blocks.

## 48 Hills: Politics and Arts Keep the Alt Weekly Spirit Alive in Digital Form

48hills.org

Founded: 2013

The spirit of the San Francisco Bay Guardian lives on in this digital nonprofit news outlet, founded by

former *Guardian* editors Tim Redmond and Marke Bieschke. Redmond's indefatigable local reporting on politics and civic issues includes longform investigations and election coverage, and Bieschke oversees cultural coverage that includes reviews of live music and theater, which are increasingly rare.



Photo Courtesy of Wind Newspaper

**Wind Newspaper:** Original, Local, Independent News For San Francicsco's API Communities

### windnewspaper.com

Founded: 2020

Wind is the only English and Chinese bilingual news publication in the State of California and a free weekly based in San Francisco Chinatown with distribution around the San Francisco Bay Area. It was founded by longtime criminal justice reporter Portia Li at the beginning of the pandemic after she was laid off from her job at Chinese-language newspaper World Journal. Wind provides original local news reporting in both languages. Funding comes from advertising, with significant volunteer support.

To get a big-picture perspective, we also spoke with Jon Funabiki, a longtime San Franciscan who's been a news reporter; a journalism professor at San Francisco State University; a funder, directing media grants at the Ford Foundation; and founder of the nonprofit Renaissance Journalism, which creates strategic initiatives to support journalism that addresses racial and economic inequity.

The old system of local news is broken, he says, and as we put it back together again, "we shouldn't simply try to replace the old system because we now know that the old system really wasn't all that great."

Funabiki noted that the "master narrative" about traditional legacy media being in decline often leaves out the harm those outlets have historically done to communities of color. "As dominant as they were, they were not serving all communities equally. And in fact, not only were they often ignoring communities, but their coverage was detrimental to many communities." The sensationalism of crime coverage in particular has perpetuated racial stereotypes.

Meanwhile, community-specific media that serve either geographic communities or racial, cultural and language communities, are bouncing back. "You're seeing the tremendous resilience of some of these news operations that despite all the problems in the media, they somehow are able to cling on and survive."

### **BANDING TOGETHER**

For those publishers who have persisted, the most notable change in the local news scene over the past 20 years may be the shift from competition to cooperation. Every publisher we spoke with shared examples of collaboration or mutual support, most often through sharing content or helping peers access advertising opportunities.

These experiences reflect a culture change throughout the local news landscape nationally and internationally. As the news business has become less profitable, those outlets that continue tend to be more mission-driven and find more success through a cooperative approach. Journalism collaborations have become more common and more sophisticated: the International Consortium of Investigative Journalists (the Panama Papers), Solutions Journalism Network, and local collaborations with varying degrees of formal organization. The Center for Cooperative Media at Montclair State University estimates there are at least 40 permanent local journalism collaborative projects in the United States alone, plus countless more that are less structured and more ad hoc.

Tim Redmond remembers the days when the San Francisco Bay Guardian, competed bitterly with The Chronicle and SF Weekly to break stories and secure advertising. "I think the ecosystem of local news in a good way is becoming less competitive," says Redmond, who edited the Guardian for 30 years and who cofounded the digital news outlet 48 Hills in 2014 following the Guardian's demise. "Now I think we're seeing a bottom-up news infrastructure where I'm not competing with Mission Local, they're my friends, right? I'm not trying to beat the Standard. They do a different thing than what we do. I'm not competing with El Tecolote, we share stories, and that's a good thing. That's why we have this consortium of local newspapers who are looking for ways to share resources and share stories, because we're all doing something different."

There is still competition for readers and ads, but the competition is now between news outlets and social media. *Mission Local* editor Joe Rivano Barros puts it this way: "We're competing with anything that takes up people's attention."

Cooperative approaches to advertising have been around for decades. The San Francisco Neighborhood Newspaper Association began offering advertising services among all its members through a single ad rep back in the 1990s. While the number of member newspapers has dwindled since then, the service continues today. Ethnic Media Services pioneered the development of an advertising network among ethnic media outlets across the country. See "Strengthening the Business of Ethnic Media to Preserve its Independence."

Bay Area Reporter leads an informal collective of about a dozen publications that have come together as the Bay Area Media Agency to support one another through sharing advertising contacts and contracts. Some of these publications are print, some digital, some hybrid. The arrangement makes it easy for would-be ad buyers to purchase ads in multiple publications with a single transaction.

Here's how it works: If one member hears from an advertiser who has interest in multiple publications, that member reaches out to the others, makes sure that no one else is already working on that particular

<sup>&</sup>lt;sup>10</sup> San Francisco Neighborhood Newspaper Association, accessed Feb. 15, 2024, sfnna.com/advertise/rates

account, and then presents the full group to that advertiser. This offers the advertiser the convenience of having one invoice and one bill, and dealing with only one person who represents all the member publications.

The effort began during the early days of the pandemic, Wazlowski says, when ad sales ground to a halt for everyone. "We were thinking, we need to support each other. We might be able to help each other. You don't need to be feeling alone and slowly going out of business." *Bay Area Reporter* has a larger staff and business infrastructure than many small publishers, who may not have dedicated ad salespeople, so the collective boosts those publishers' capacity significantly.

There are local ad collectives of various types developing across the country, and Wazlowski says he frequently hears from publishers in other cities looking to create their own. He's developing a similar collective among the state's LGBTQ publications.

### Strengthening the Business of Ethnic Media to Preserve its Independence

The first Black-owned newspaper in the United States published its inaugural issue in 1827 with this message from its editors: "We wish to plead our own cause. Too long have others spoken for us," Samuel E. Cornish and John B. Russwurm wrote in *Freedom's Journal*. That message of autonomy continues to be central to the mission of ethnic media today, and as the local news landscape evolves, that fundamental need to speak for oneself stays the same.

For more than 25 years, Sandy Close has been supporting the visibility and viability of the ethnic media sector through New America Media, the first and largest association of ethnic media outlets in the U.S. which she launched in 1996 as a project of the nonprofit Pacific News Service, Close closed PNS and NAM in late 2017. She and veterans of NAM and PNS launched Ethnic Media Services to continue the work under the fiscal sponsorship of the San Francisco Study Center. EMS hosts one or more weekly Zoom news briefings connecting reporters to key sources on issues of public policy and politics and coordinates innovative public awareness campaigns on behalf of government, philanthropic and nonprofit agencies that steer vitally needed fellowship and advertising dollars to the sector.



"There's an issue very dear to the heart of ethnic media, which is sovereignty and the notion that these media exist because of their dedication to their own communities," Close says. While she celebrates the emergence of nonprofit news outlets, she says it's important to realize that many ethnic media outlets have good reasons for not going the nonprofit route: Publishers want to maintain their independence, their ability to endorse political candidates, and they do not want to rely on grants from philanthropic foundations, or cede control of their enterprises to a board of directors.

"I speak as somebody who's been in the nonprofit world for over half a century," Close says, "but ethnic media are accountable to their own communities and to the small businesses that traditionally have made up their base of support. California Black Media director Regina Brown

Photo by Eric Kayne Courtesy of the California Healthcare Foundation

<sup>&</sup>lt;sup>11</sup> San Francisco Neighborhood Newspaper Association, accessed Feb. 15, 2024, sfnna.com/advertise/rates

Wilson calls this an issue of sovereignty."

While foundation grants make up about 20 percent of Ethnic Media Services's revenue, 80 percent comes from contracts for advertising, social marketing and other services. These contracts are with government agencies like the Federal Trade Commission and the State Library's Stop the Hate campaign; non-governmental organizations like Asian Americans Advancing Justice and the Leadership Conference for Civil Rights; and philanthropic foundations, too, like the Blue Shield of California Foundation.

One campaign Close remembers fondly aimed to promote diversity among those who go into the teaching profession. An essay contest on the topic of "the teacher who changed my life" attracted submissions in 14 different languages, and the winning entries were published in a book.

In 2000, EMS used a grant from the California Endowment to commission a multilingual poll, the first of many, so ethnic media could better understand and communicate their audience's views about issues. One such poll found that approximately one quarter of all respondents who were part of racially or ethnically defined audiences could name the ethnic media outlet that was for them an indispensable source of news.

Small business advertising has long been the lifeblood of local ethnic media outlets, and that's precisely what dried up in 2020 as soon as the pandemic hit. EMS helped member outlets persist thanks to a statewide Census campaign and public health campaigns. "Without the Census, a lot of people would've collapsed. It would've been impossible to get through 2020."

Today, ethnic media outlets are facing the same crisis all local news outlets face, yet they're also receiving more attention from journalism advocates who recognize them as valuable, trusted community assets. Close cautions that policy solutions need to take into consideration the unique needs of ethnic media outlets that operate as for-profit businesses. "There's no one-size-fits-all policy that will address the vast landscape of local journalism. Ethnic media play an indispensable role in building inclusive communications that too often gets folded into mainstream and nonprofit media solutions."

## **COMMON CHALLENGES**

Getting the news to people is tough these days. With the public's attention spread thin and preferences for types of media so varied, publishers have to be creative and adapt to a constantly changing landscape.

Everyone knows social media is where the people are, and publishers we spoke to are working to grow a presence on Instagram, Facebook, X, and to some extent TikTok. But relying on those platforms means putting their distribution in the hands of an algorithm that neither they nor their readers can control.

Facebook was a key distribution channel for news until the company drastically changed its algorithm in 2018 to de-emphasize news content, following controversies over alleged political bias and misinformation. The publishers we spoke to said traffic to their websites is down by one third to one half of what it was before that switch.

Outlets that publish print editions face rising printing and distribution costs. Publishers say they want to remain in print to make their work accessible. A significant segment of *Bay Area Reporter's* readers prefer or rely on print. "We don't ever want to leave them stranded," Wazlowski says. Print advertising is also significantly more lucrative than digital advertising. Print ads make up the bulk of *BAR's* revenue.

Several publishers told us the loss of the newsracks has meant a loss of visibility, making it harder to reach people who may not otherwise know the publications exist. "It's been challenging to maintain our level of presence on the street at eye level, which is where we're going to attract new readers," Wazlowski says.

### **KQED:** A Major Source of Local News

In places like the Bay Area that have strong, independent public media, those outlets are filling gaps in local news left by the decline of commercial news media. KQED has long been a major provider of local news, and today it boasts the largest newsroom west of the Mississippi, according to Vice President of Strategic Partnerships Tim Olson. "We have invested significantly in local and regional news for decades," he says.

Broadcasting on TV and radio, KQED also produces digital content from daily news to podcasts to special series, serving nine counties. Live events at KQED's Mission District offices, or those with partners like the San Francisco Public Library, cultivate a community of media makers and draw audiences that tend to be younger and more diverse than public media's typical audience.

That commitment began long before the decline of newspapers, and as newspapers have declined, KQED has grown. "Our business model isn't broken," Olson says. With only 7 percent of KQED's budget coming from government funding, the model relies on communicating the public interest mission and relying on the public to voluntarily fund it — the same model nonprofit news outlets and small independents increasingly rely on.

## **REINVENTING THE BUSINESS OF NEWS**

Stuart Schuffman is arguably the scrappiest independent publisher in the city when it comes to finding creative ways to survive in the media business. The outlet he founded, *Broke-Ass Stuart*, publishes arts, culture, entertainment and some politics and news across its website, email newsletters, social media, and text messaging.

"When I talk to advertisers, I say we're one part publication, one part influencer, and one part creative agency," Schuffman says. "If it was just a website, we wouldn't be making enough money."

Schuffman arrived in San Francisco 20 years ago and worked in the service industry, getting to know people in the restaurant and bar scene. He started off making zines about cheap travel and living cheaply in San Francisco. From there, he got some work writing for the travel publisher Lonely Planet, and in the late 2000s he had a successful hyperlocal blog.

"The whole time, I was growing the website as a destination for arts and culture and nightlife," he says. "Then as things progressed, it became more, with news and activism and stuff like that."

Broke-Ass Stuart has three sources of revenue: direct ad sales, products, and reader donations. The direct ad sales are packages of advertising across multiple platforms: Instagram reels, newsletter sponsorships, posts on X, and content posted on the site. (Schuffman has a transparency policy and labels paid content.) The products are things like a "beer passport" with coupons people can redeem at participating bars, but those have been less popular since the pandemic. A Patreon account offers some revenue but requires ongoing effort, Schuffman says.

One example of Schuffman's "creative agency" approach: A brewery recently opened up a new taproom in Berkeley and hired *Broke-Ass Stuart* to create a campaign to get people there for the opening. Schuffman created "weird, fun, interesting Instagram reels," wrote about the opening in the newsletter, and acted as emcee at the event.

Other publishers we spoke to sell ads on social media, as well. Michael Yamashita, publisher of *Bay Area Reporter*, encourages other media outlets to do so. "There's an opportunity for them to diversify their social media outreach by going through some of us who have really strong followings, especially some of our online partners," he says. "There's a level of trust that we have with our readers that we built up over decades."

#### THE NONPROFIT ROUTE

Some of the publishers we spoke to have made their businesses more stable by converting to nonprofits.

Nonprofit is a tax status, not a business model, but it opens the door to philanthropic grants and tax-deductible reader donations, and it signals to the public the organization's commitment to the public interest. The number of nonprofit local news outlets has increased dramatically in the past few years. The Institute for Nonprofit News is home to more than 425 members, up from 27 at the organization's founding in 2009, and nearly half are local news organizations.<sup>12</sup>

Katherine Ann Rowlands got her start at *Bay City News*, a wire service that covers the 12-county Bay Area region, as a college intern, "and I always had it in the back of my mind that it would be awesome someday to run *Bay City News*."

In 2016, Rowlands was a John S. Knight Journalism Fellow at Stanford University, and having learned that the company might be for sale, she used her time on the Stanford campus to talk to people in business, media, entrepreneurship, and design thinking. "Within a year, I had purchased the company, and I've been running it ever since." The first thing she realized upon taking over was the urgency of diversifying the company's revenue, and expanding the type of journalism it produces.

Bay City News typically publishes 40 stories and images per day that can be republished, and business clients who subscribe have access to its datebook, a curated calendar of newsworthy events held by public agencies, nonprofits, public relations and marketing companies, and other community stakeholders that is verified and published twice daily. BCN clients include all kinds of media across the region, including major commercial TV and radio outlets, the dailies, weeklies, and smaller digital outlets as well, who republish content on their own platforms. Over the years the number of large commercial media clients has dwindled as outlets have shut down, consolidated or slashed their budgets. A growing number of digital startups, PR companies, law firms and public agencies now subscribe.

After buying *Bay City News* in 2018, Rowlands founded Bay City Foundation as a 501(c)(3), alongside the commercial newswire enterprise, with a mission to partner with others, experiment with technology, train new reporters and cover stories overlooked or undercovered by most mainstream media. The foundation receives donation and foundation funding. All nonprofit-produced content lives on Localnewsmatters. org and is available free of charge. It includes special projects and investigations, local news, arts and culture, equity issues, and coverage of topics like aging, science and environment, and civic engagement. The foundation side of the operation also employs a data manager who works with reporters and a photography department. The nonprofit has also worked with an academic research lab at Stanford/USC on tools and practices that allow for photo authentication, among other things.

<sup>&</sup>lt;sup>12</sup> Figures on membership from the Institute for Nonprofit News, accessed Feb. 15, 2024 , <u>inn.org</u>



Through a grant from the Silicon Valley Community Foundation, *Bay City News* recently experimented with a project to make the news wire content available for free to three small independent news organizations: India Currents, Peninsula 360, and San Jose Spotlight. The pilot also allows *Bay City News* to post their stories on the wire, amplifying the reach of their reporting.

There are tradeoffs involved in going the nonprofit route, and it doesn't make sense for everyone. A 501(c) (3) can't endorse political candidates, for instance, and it must be governed by a board of directors. Many ethnic media publishers are reluctant to convert to nonprofits for a variety of reasons: giving control of a family company over to a board of directors, being reliant on grants from white-led philanthropic foundations, and, given the history of government treatment of Black organizations, concern about being vulnerable to interference from the IRS. The *Bay View* has navigated those tradeoffs by remaining independently and privately owned, but partnering with a fiscal sponsor to allow them to accept grants and tax-deductible donations. *Broke-Ass Stuart* recently did the same.

Converting to a nonprofit has helped deepen the mission of Japanese American publication *Nichi Bei* while also providing a more stable source of revenue. In 2009, the Nichi Bei Foundation became the first nonprofit ethnic community newspaper of its kind in the U.S. Keeping Japanese American history alive is fundamental to the 125-year-old Japanese American news outlet. The foundation hosts live events—including a food festival, film series, and pilgrimage trips to historic sites—that generate revenue to subsidize the news operation.

Funabiki of Renaissance Journalism says he admires the way *Nichi Bei* has "reinvented themselves as not only just a newspaper, but as a cultural institution strongly connected to the Japanese American and the larger Asian American communities. They place a big emphasis on history, on culture, on the arts, on events that draw hundreds if not thousands of people to the city. All kinds of different things that are totally a redefinition of what a news organization can be."

## **What Should We Do?**

### Policy Options to Support Local News

There is no single solution to the local news crisis – there are many.

Not only is journalism booming with new and reimagined publications, there is also a new infrastructure forming to offer stability and foster structural solutions to the local news crisis. One layer of that infrastructure is public policy. Journalism advocates are exploring ways that laws, regulations, and public funding at the federal state and local levels can support civic information and local news in the public interest.

For a long time, conversations about policy solutions were a nonstarter in the American journalism field due to concerns about inviting government interference in the practice or business of journalism. Government funding for journalism has been seen as particularly problematic. Would it impugn the integrity of news publications if they took money from the government entities they report on? Would governments use funding as leverage to manipulate coverage?

In fact, the American government has always supported our country's news industry, though in ways many people aren't aware of. Postal subsidies and legal notice ads were crucial to the development of a free, commercial press since the country's early years. When the Federal Communications Commission was established in 1934 to regulate the airwaves, the government began to give licenses to broadcasters and protected their spectrum from interference. To an extent, media ownership is regulated by the federal government, though the Telecommunications Act of 1996 stripped away many of those rules and led to an era of massive media consolidation. Since 1970, National Public Radio (NPR) and the Public Broadcasting Service (PBS) have produced and broadcast news with government funding through the Corporation for Public Broadcasting, a private nonprofit corporation funded by the federal government.

Today, journalism advocates are looking for ways the government can help preserve the function of the free press. The Rebuild Local News Coalition is a nonpartisan, nonprofit coalition of more than 3,000 newsroom and civic organizations advocating for public policy efforts to save journalism nationwide, such as government advertising initiatives, government-funded subscription vouchers, and payroll tax credits. The National Trust for Local News is a nonpartisan nonprofit dedicated to preserving existing community news outlets by purchasing newspapers and newspaper chains and converting them to nonprofits, to save them from being either shuttered or acquired by hedge funds or partisan political operations. California is the first state in the country to launch a government-funded fellowship for professional journalists, housed at a public university. We explore these and other policy ideas below.

### **Policy Solutions to the Local News Crisis**

The downstream effects of the local news crisis are becoming more and more apparent. Research has shown that the loss of local news leads to lower voter turnout, fewer candidates running for

<sup>&</sup>lt;sup>13</sup> Rebuild Local News Coalition, accessed Feb. 15, 2024, <u>www.rebuildlocalnews.org</u>

<sup>&</sup>lt;sup>14</sup> National Trust for Local News, accessed Feb. 15, 2024, <u>www.nationaltrustforlocalnews.org/our-approach</u>

office, higher borrowing costs for government bonds, more political corruption, and increased political polarization.<sup>15</sup> As the commercial business model for journalism—especially local journalism—continues to collapse, awareness is growing that local news is a public good, and we cannot count on the market to provide it.<sup>16</sup>

Journalism advocates have been developing public policy solutions to the news crisis for several years, and interest is growing at the federal, state and local levels. Policy around media and journalism must navigate the challenge of generating political support for using public money while allocating that money in a way that preserves news organizations' editorial independence and honors press freedom.

The Rebuild Local News Coalition, a coalition of trade organizations, professional associations, and journalism advocates led by Report for America founder Steven Waldman, is developing and advocating for a set of policies that meet those criteria. Media justice organization Free Press has been advocating for policy solutions and mobilizing grassroots action. There are many other players in the arena, of course, including industry associations, ethnic media collectives, and prodemocracy groups like California Common Cause. Not all of them agree on the best solutions, but the number of options is growing and policy experiments are beginning to show results.

Here are a few strategies and models to consider:

- Government advertising set-asides: Would allocate a specific portion of the advertising that
  local governments purchase to media organizations that meet specific criteria, e.g. local
  and ethnic media. Sends resources to local, community, and ethnic media, instead of major
  publications, broadcast, and online platforms. This policy first emerged in New York City and
  has also been adopted in New York State and Chicago. We explore this model throughout this
  report.
- Local news fellowships: Public money is allocated to a program housed at an independent organization a university, foundation, or nonprofit to support fellowships for journalists to work at existing media organizations. State-funded fellowships exist in California, Washington, and New Mexico. See "The California Local News Fellowship" for more.
- "Replanting" local newspapers: Creates incentives and reduces barriers for mission-driven
  organizations in the community to purchase local newspapers that would otherwise shut down
  or be sold to private equity or hedge funds. See "Replanting Saves Newspapers From Hedge
  Funds or Closure" for more.
- News vouchers: Makes refundable tax credits available to community members to purchase subscriptions for local print or digital news outlets. Provides a subsidy to news media without government directing the funds, and hopefully leads to a better informed public. Only serves outlets that charge for subscriptions, however; the tax credit could be designed to also extend to donations to nonprofit news outlets. Massachusetts lawmakers are considering this model.
- Advertising tax credits: Makes small businesses eligible for refundable tax credits if they
  advertise in local news media. Legislators in Colorado and Maryland are considering versions
  of this model.
- Civic information consortium: New Jersey pioneered this model after a one-time windfall from
  the sale of state-owned broadcast stations in 2018. With Free Press leading the charge, the
  legislature passed a bill to set aside \$500,000 to create and fund a new entity. The NJ Civic

<sup>&</sup>lt;sup>15</sup> Josh Stearns and Christine Schmidt, "How We Know Journalism Is Good For Democracy," Democracy Fund, Sept. 15, 2022, <a href="democracyfund.org/idea/how-we-know-journalism-is-good-for-democracy">democracyfund.org/idea/how-we-know-journalism-is-good-for-democracy</a>

<sup>&</sup>lt;sup>16</sup> See *Democracy Without Journalism* by Victor Pickard and *All The News That's Fit to Sell* by James T. Hamilton to learn more about the market failure for local news



Photo by Timi David on Unsplash

Information Consortium is governed by a board of directors that includes representatives from across the state. The state has added more funding each subsequent year, and to date the consortium has issued 81 grants totaling \$5.5 million to projects that provide journalism and other forms of civic information.<sup>17</sup> A bill to create a civic information consortium was recently introduced in the Wisconsin legislature.

- Local news as digital equity: Congress has allocated \$100 billion to make high-speed internet
  available to more Americans, with the stipulation that states' broadband projects address
  "digital equity." Rebuild Local News has asked the U.S. Department of Commerce to include
  strengthening local news in its definition of digital equity and to engage local news outlets as
  partners in broadband expansion efforts.<sup>18</sup>
- Community information districts: Modeled after business improvement districts or library districts, community information districts are established through a democratic process and levy a tax on the residents of the district to fund media and civic communications projects selected by a public board. The model is being developed in New Jersey. 19
- Making online platforms pay for journalism: This one is complicated. The fact that Alphabet (parent company of Google), Meta (of Facebook, Instagram, Threads, and WhatsApp) and X don't fund the production of news, but profit from it, has long been a source of frustration for news publishers and broadcasters. In the past few years, there have been a number of policy attempts to make the platforms pay up. But while these policy proposals tend to be supported by big commercial media companies, many other journalism advocates, especially those in the nonprofit sector, have opposed the specific measures for a variety of reasons.

In 2022, a bill called the Journalism Competition Preservation Act failed to advance in Congress despite bipartisan support, but the measure may resurface. The JCPA would create an

<sup>&</sup>lt;sup>17</sup> For more information about New Jersey's Civic Information Consortium, visit <u>njcivicinfo.org</u>

<sup>&</sup>lt;sup>18</sup> Christopher Ali and Steven Waldman, "Broadband, Digital Equity and Local News," Rebuild Local News Coalition, May 1, 2023, <a href="https://www.rebuildlocalnews.org/local-news-is-a-part-of-digital-equity-it-should-receive-digital-equity-dollars">www.rebuildlocalnews.org/local-news-is-a-part-of-digital-equity-it-should-receive-digital-equity-dollars</a>

<sup>&</sup>lt;sup>19</sup> For more information about Civic Information Districts, visit comminfo.org

exception to antitrust law to allow publishers to negotiate together with social media platforms for payments tied to the links to their content. It is bold and ambitious. Small publishers and other groups opposed the bill because, if it works, it could benefit the biggest media companies while potentially shutting out independents. Some argue that if publishers don't have enough leverage, the law may end up hurting local news more than it helps.<sup>20</sup>

A similar measure in Canada has effectively backfired. When the Online News Act passed there last year, Meta responded by ending news sharing on its platforms in Canada.<sup>21</sup> That decision appears to have had no impact on Canadians' use of Facebook,<sup>22</sup> but hurts the news industry and the interests of an informed public.

State legislators in the U.S. have continued to explore similar measures. Last year, the California Journalism Preservation Act (AB 886) emerged in the California state legislature. The CJPA would replace the bargained deal envisioned in the JCPA model with a usage fee pool to be divided among news outlets that qualify. The Senate Judiciary Committee held an informational hearing on the bill last December.<sup>23</sup>

- Breaking up big-tech monopolies: A different approach to the platform problem is to pursue antitrust action against them and take on their monopoly power over digital advertising. Phillip Longman of the Open Markets Institute has argued that Google, Facebook, and Amazon's power over the digital advertising market is a clear violation of antitrust—Google's takeover of the ad tech firm DoubleClick as case in point. He urges regulators to begin to enforce those laws to keep owners of "essential infrastructure"—including digital infrastructure—from operating in adjacent lines of business, like cloud computing and artificial intelligence.<sup>24</sup>
- Blocking further media consolidation: Half of all daily newspaper circulation in America is now owned by hedge funds or private equity firms, according to the Rebuild Local News Coalition.<sup>25</sup> The most notorious of these firms is Alden Global Capital, which has been called "the grim reaper of American newspapers"<sup>26</sup> for its practice of gutting newsrooms and squeezing revenue from troubled properties. Rebuild Local News has urged policymakers to stop this ongoing consolidation by applying antitrust protections, such as considering the large body of evidence that hedge fund and private equity acquisition of community news sources hurts communities.<sup>27</sup>

<sup>&</sup>lt;sup>20</sup> Jeremy Littau, "Congress' Best Idea to Save Local Journalism Would Actually Hurt It," Slate Magazine, December 9, 2022, slate.com/technology/2022/12/jcpa-journalism-competition-preservation-act.html

<sup>&</sup>lt;sup>21</sup> Ismail Shakil and David Ljunggren, "Canada tries to address news law concerns, Facebook not convinced," Reuters, Sept. 1, 2023, <a href="https://www.reuters.com/world/americas/canada-says-addressing-google-facebook-concerns-over-online-news-law-2023-09-01">www.reuters.com/world/americas/canada-says-addressing-google-facebook-concerns-over-online-news-law-2023-09-01</a>

<sup>&</sup>lt;sup>22</sup> Katie Paul and Steve Scherer, "Exclusive: Meta's Canada news ban fails to dent Facebook usage," Reuters, Aug. 29, 2023, <a href="https://www.reuters.com/technology/metas-canada-news-ban-fails-dent-facebook-usage-2023-08-29">www.reuters.com/technology/metas-canada-news-ban-fails-dent-facebook-usage-2023-08-29</a>

<sup>&</sup>lt;sup>23</sup> "State Activity Tracker," Rebuild Local News Coalition, accessed Feb. 15, 2024, <a href="www.rebuildlocalnews.org/solutions/state-activity-tracker">www.rebuildlocalnews.org/solutions/state-activity-tracker</a>

<sup>&</sup>lt;sup>24</sup> Phillip Longman, "How Fighting Monopoly Can Save Journalism," Washington Monthly, Jan. 16, 2024, <u>washingtonmonthly.com/2024/01/16/how-fighting-monopoly-can-save-journalism</u>

<sup>&</sup>lt;sup>25</sup> Steven Waldman, "Opinion: Action needed to avoid local news setbacks like Pennsylvania sale," Poynter, Sept. 1, 2023, www.poynter.org/commentary/2023/opinion-action-needed-to-avoid-local-news-setbacks-like-pennsylvania-sale

<sup>&</sup>lt;sup>26</sup> Joe Pompeo, "The Hedge Fund Vampire That Bleeds Newspapers Dry Now Has the Chicago Tribune by the Throat," Vanity Fair, Feb. 5, 2020, vanityfair.com/news/2020/02/hedge-fund-vampire-alden-global-capital-that-bleeds-newspapers-dry-has-chicago-tribune-by-the-throat

<sup>&</sup>lt;sup>27</sup> Steven Waldman, "The Local News Crisis Illustrates the Inadequacy of the Current Antitrust Approach," Rebuild Local News Coalition, accessed Feb. 15, 2024, <a href="https://www.rebuildlocalnews.org/solutions/antitrust-2">www.rebuildlocalnews.org/solutions/antitrust-2</a>



# SHIFTING GOVERNMENT ADVERTISING TO COMMUNITY AND ETHNIC MEDIA

In the last several years, a coalition of local San Francisco news publishers and democracy reform organizations has come together as the Bay Area Independent Community Media Coalition and is fighting for a media policy solution that would increase the proportion of advertising the City of San Francisco purchases in local community and ethnic media.

In 2011, the FCC published a report titled "The Information Needs of Communities," a broad and deep overview of local news in the United States and of policy and regulations that could preserve the news media's ability to serve the needs of our democracy. One of the report's main recommendations was "Existing government advertising spending should be targeted more toward local media." New York City and later the State of New York have established a program to increase government advertising spending in community and ethnic media, and the idea has spread to other places across the country.

Shifting city advertising dollars to community and ethnic media has a number of advantages. Because city outreach and advertising dollars are already being spent, shifting a greater proportion of them to community and ethnic media provides support to small, local publications without creating new costs for governments and taxpayers. That shift also ensures that government speaks to hard-to-reach communities and puts key information about government programs within reach for marginalized folks. Portia Li, founder of the *Wind Newspaper* that serves San Francisco's Asian American community, wants readers of Wind to receive the information contained in those ads. "They have a right to be informed by the government agencies," she says.

<sup>&</sup>lt;sup>28</sup> Steven Waldman and the Working Group on Information Needs of Communities, "The Information Needs of Communities: The changing media landscape in a broadband age," Federal Communications Commission, July 2011, <a href="docs.fcc.gov/public/attachments/DOC-307406A1.pdf">docs.fcc.gov/public/attachments/DOC-307406A1.pdf</a>

To explore this policy opportunity, California Common Cause worked with Supervisor Matt Dorsey's office and the city's Budget and Legislative Analyst in 2023 to advocate for internal research into how public advertising works in the City of San Francisco and how policies like those adopted in New York and Seattle might work in San Francisco. <sup>29</sup>

The final report, published December 2023,<sup>30</sup> makes it clear that increasing city government advertising in community and ethnic media will require dedicated effort to streamlining the city's processes to make them simpler for city staff and local publishers to navigate. The report recommends that the city hire a full-time liaison to make the process more efficient and to make city advertising opportunities more accessible to local news providers. The Bay Area Independent Community Media Coalition agrees with these recommendations.

The power of this work is already obvious. In the process of gathering information for this report, a city department staffer we had been speaking with reached out asking for information about publications that serve specific neighborhoods, so she could include them in an upcoming advertising campaign. That conversation gave us a glimpse at how ready city offices are to reach wider audiences and how effective a new liaison role could be.

#### WHY ADVERTISING MATTERS

Advertising has historically been vital to the development of American media. In the 19th Century, when newspapers began to rely on advertising revenue instead of political party funding to keep their businesses going, newspapers and other news media began to operate as highly profitable businesses.

There are major flaws with this advertising-driven commercial system. University of Pennsylvania Prof. Victor Pickard has argued that reliance on advertising is a "core weakness" of the American media system. "This structural vulnerability has left our press system weak and underfunded," Pickard has said, "especially for the kinds of journalism that we think democracy requires — local, international, policy-related, and investigative reporting" that our democracy requires. Pickard urges American policymakers to pursue public funding for journalism. Nearly every other developed democracy has a well-funded public media system that produces independent journalism. In the United States, even public media receives very little taxpayer money.

For about 200 years, American's ad-driven system worked as well as it did because a firewall developed between the business side of the news business and the newsroom side, to prevent advertisers from interfering with the production of news. The more advertisers, the less any one advertiser could leverage their influence. Certainly advertisers have been known to pull their ads in response to coverage they don't like. But there have also been cases in which companies effectively funded investigations into their own practices. They had no choice: To get their messages to audiences, they had to go through the media.

Newspaper advertising was highly lucrative. At the height of the newspaper industry in the late 1990s, it was not uncommon for a major metro newspaper like *The Chronicle* to bring in hundreds of millions of

<sup>&</sup>lt;sup>29</sup> San Francisco Budget and Legislative Analyst's Office, "Use of Community and Ethnic Media Outlets for City Advertising," Policy Analysis Report, Dec. 19, 2023, <a href="mailto:sfbca.community\_Ethnic\_Media\_121923.pdf">sfbca.community\_Ethnic\_Media\_121923.pdf</a>
<sup>30</sup> Ibid

<sup>&</sup>lt;sup>31</sup> See Victor Pickard's book, *Democracy Without Journalism*?: *Confronting the Misinformation Society.* Oxford University Press, 2019.

<sup>&</sup>lt;sup>32</sup> Ashton Yount, "Democracy Without Journalism? Q&A with Victor Pickard," Annenberg School for Communication, University of Pennsylvania, Nov. 19, 2019, <a href="https://www.asc.upenn.edu/news-events/news/democracy-without-journalism-qa-victor-pickard">www.asc.upenn.edu/news-events/news/democracy-without-journalism-qa-victor-pickard</a>

dollars annually from ad sales or for newspaper companies to see profit margins of 20 to 40 percent.<sup>33</sup> Advertising was also effectively the sole source of revenue, as subscriptions barely covered the cost of delivery.

Then came the internet. Suddenly advertisers could reach audiences without the need to go through media outlets. Craigslist made classified advertising free and easy online, killing newspaper classifieds almost overnight. Overall, newspaper advertising revenue has dropped by 80 percent since 2006. 34

Meanwhile social media platforms have developed a monopoly on digital advertising. As of 2021, Google was the largest ad publisher in the U.S. and accounted for about 39 percent of the total digital advertising revenue. Facebook accounted for almost 24 percent, and Amazon approximately 11 percent. <sup>35</sup>

Advertising continues to be the main source of revenue for most commercial media, and even many nonprofit news outlets rely on ads and sponsorships as an important revenue stream. While *The New York Times* and *The Washington Post* have been able to generate considerable revenue from online subscriptions, the number of people willing to pay for subscriptions to local news outlets is vastly smaller. Print ads, in particular, still matter in local news, as digital ads sell for pennies on the dollar by comparison.

From a policy perspective, advertising is a way governments can fund journalism without infringing on the First Amendment—after all, governments have always purchased ads since the beginning of the free commercial press. Legal notice advertising has long been a revenue source for newspapers and one press association lobbyists continue to protect.

Advocating for government advertising support for community and ethnic media doesn't mean advocating for the creation of a new policy, but rather a redistribution—a deliberate increase in the proportion of advertising going to outlets that already speak to marginalized local communities. To achieve that purpose, it's important to understand why, when, and how governments purchase advertising and how that process can be made more practical and transparent.

### **HOW PUBLIC ADVERTISING WORKS IN SAN FRANCISCO**

Governments use advertising to get their messages to intended audiences about critical programs and services. News outlets deliver those messages and use the revenue to fund their operations.

If only it were that simple.

When it comes to advertising, the City of San Francisco considers media outlets vendors, and all vendors have to apply for city approval to become eligible for city contracts. Because the city requires a competitive process for all contracts, approved vendors must respond to requests for proposals (RFPs). Those proposals are evaluated according to a rubric that includes cost alongside other considerations. Each ad campaign requires its own RFP. Some of this bureaucracy can be avoided if an approved vendor, such as an advertising agency, acts as a third party, purchasing advertising from other companies to fulfill a contract they have with the city.

<sup>&</sup>lt;sup>33</sup> Center for Innovation and Sustainability in Local Media, "What History Teaches Us: How Newspapers Have Evolved To Meet Market Demands," accessed Feb. 15, 2024 <a href="https://www.cislm.org/what-history-teaches-us-how-newspapers-have-evolved-to-meet-market-demands">www.cislm.org/what-history-teaches-us-how-newspapers-have-evolved-to-meet-market-demands</a>

<sup>&</sup>lt;sup>34</sup> Pew Research Center's Journalism Project. "Trends and Facts on Newspapers | State of the News Media," November 15, 2023. <a href="https://www.pewresearch.org/journalism/fact-sheet/newspapers">www.pewresearch.org/journalism/fact-sheet/newspapers</a>

<sup>&</sup>lt;sup>35</sup> Statista Research Department, "Digital ad revenue share in the U.S. 2020-2025, by company," Sep 4, 2023, <a href="https://www.statista.com/statistics/242549/digital-ad-market-share-of-major-ad-selling-companies-in-the-us-by-revenue">www.statista.com/statistics/242549/digital-ad-market-share-of-major-ad-selling-companies-in-the-us-by-revenue</a>

Michael Durand, editor and publisher of *The Richmond Review* and *Sunset Beacon*, found the process of bidding on a city advertising contract so arduous, he gave up. The RFP was approximately 80 pages of dense legal language and confusing instructions. Even after watching an instructional webinar, he was baffled.

"It was deadline time for my two newspapers, and the process was so confusing and frustrating that I gave up. I did not submit a bid. Such a shame," Durand wrote in a letter to the mayor and board of supervisors describing the experience. "If the City hired someone full time to work to make the process more complicated, they couldn't have done a better job than how the process is presently run."

He hasn't tried again since. "As much as I would love to be working with the city, unless they streamline that process, I'm never going back into that rat's nest again," he says. But he has been able to sell a few city ads through the San Francisco Neighborhood Newspaper Association, which shares a veteran ad representative who is able to purchase the ads on their behalf.

It's not hard to understand why a city department staffer would want to hire a third-party agency or entity. Going through a third party allows staffers to buy ads and for publishers to receive them, without going through the onerous bureaucratic process.

The informal ad collective Bay Area Reporter leads has acted as a third party in this way, making it possible for members to access government ads they might not otherwise have known about or been eligible for. For instance, the San Francisco Housing Authority purchased ads in multiple outlets to recruit property owners to participate in Section 8. Wazlowski saw firsthand that city staff are grateful and responsive to this approach. "Once [the Housing Authority staffer] realized how many different assets that she could purchase through me, she was just pretty much, 'I'll buy everything.' She really loved it because it's not having a relationship with 12 different people to get 12 different messages to 12 different constituencies."

Bureaucratic headaches are hardly limited to the City of San Francisco. Several publishers we spoke to told us that government advertising is rarely worth the bureaucratic hassle.

Fátima Ramírez, Acción Latina's executive director, gives the Census as an example of the ways governments rely on publications like *El Tecolote* to reach communities, but make paid advertising opportunities inaccessible to publishers. "We've worked very closely with the city. They come to us, telling us they understand that we have access to these hard to reach, hard to count communities, and that's where usually our platform gets leveraged to share information." But publications must respond to an RFP to be eligible for Census advertising. "Ultimately, to be quite frank, it requires so much time and effort from our team for very little in return."

Those who have succeeded in running the bureaucratic gauntlet to get government advertising say it's a big help. *Nichi Bei* told us that government advertising accounted for some of their largest and most consistent ads. The State of California's Fight Asian Hate campaign has been a big support for them and for other Asian-serving publications. "Those are definitely avenues that have helped keep this place afloat," says Kota Morikawa, Nichi Bei's advertising and marketing manager.

While *Wind* does receive advertising from the City of San Francisco, for things like Muni bus schedules, Li has not yet been able to secure contracts from the State of California or from federal agencies like the Small Business Administration. When she's inquired, she says she's been told that the contracts are given to advertising agencies who decide where to place the ads. "They said, 'You're not on the list." In this way, third parties can create barriers to advertising opportunities, and there is no transparency built into the process.

#### A CITY STAFFER'S POINT OF VIEW

We reached out to San Francisco city staff to understand how advertising works from their perspective, and we learned that they have many of the same complaints about the system that publishers do. They too want to make the process easier. In the process of communicating with one city staffer, we learned firsthand how effective it can be to have someone play a liaison role.

Sraddha Mehta manages a team of more than two dozen people in the city's Environment Department. As the Program Manager of the Community Partnerships and Engagement Program, she creates and oversees outreach campaigns to promote the city's environmental initiatives. Marketing and advertising are part of those campaigns, but Mehta's background is in community engagement, and she and her team frequently work at the grassroots, neighborhood level, and campaigns sometimes include community listening sessions and resident advisory councils. Her department's work is funded mostly by grants, work orders, and refuse rates (garbage collection fees).

When we explained that Common Cause was interested in making it easier for the city to purchase advertising in community and ethnic media, Mehta expressed that a streamlined process would be very helpful to her. She said that getting money out the door to pay for needed services involves cumbersome contracting processes that can take a significant amount of time. In addition, she shared that it can be onerous for folks who are interested in doing business with the city.

A few weeks after our initial conversation, Mehta emailed Common Cause about a campaign her department is putting together, and she asked for advice about which community publications serve specific neighborhoods the campaign is designed to reach. "I'm curious if you have suggestions. We are working with a consultant and I'm at the stage where I need to give feedback on their media plan." We put together a list of publications and information about their audiences. It turns out, some of these publications had not been on her list, so she shared them with the third party agency working with her on the campaign.



#### WHAT THE CITY'S RESEARCH SAYS

The city's internal research found that the sort of liaison role we played in that exchange is needed on a permanent basis.

In December 2023, the city's Budget and Legislative Analyst released a report on how advertising works in the City of San Francisco and how policies like those adopted in New York and Seattle might work here. The report confirms that the process behind government advertising is complex and that very few publishers are able to navigate it successfully.

The most significant policy options the BLA report asks the city to consider are:36

- Hire a full-time liaison to work with community and ethnic media to make city advertising opportunities more accessible to local news providers, and to help make the process more efficient.
- Create a community and ethnic media directory to increase awareness of these outlets among city employees.
- Evaluate the feasibility of creating a blanket city-wide contract for advertising services.
- Develop a process of reporting how much money is spent in local community and ethnic media each year, so progress can be tracked.

We'll take each recommendation step by step:

#### Hire a liaison:

The first step to reducing hurdles for city departments and news outlets alike is to hire a person dedicated to addressing the problem.

This role is a key component of public advertising programs in other places. In New York City, the Mayor's Office of Community and Ethnic Media began with one director and now has a staff of six. The City of Seattle's Ethnic Media Program has a single dedicated staffer who is supported by staff in other departments.

The liaison would identify community and ethnic media outlets and help them navigate the process of becoming approved city vendors; help develop criteria for what a community and ethnic media outlet is under the program; work with city departments on outreach to these outlets; and review ad spending. They would also be in a position to recommend changes to the city's processes, which would help city staff and publishers and ultimately help the public to be informed.

Mehta said that it would be helpful for a liaison to provide information about what each publication's target audiences are, their reach, the neighborhoods they serve, and the languages they publish in. "I think that would help departments make informed decisions regarding their media plans."

The BLA recommends that this position be located within either the Office of Civic Engagement and Immigrant Affairs, which handles translation contracts for the city, or the Office of Workforce and Economic Development.

<sup>&</sup>lt;sup>36</sup> Other options the BLA report presents for the city to consider: Passing a resolution in support of local community and ethnic media and asking the City Attorney to develop language for a ballot initiative to revise the city's administrative code to get rid of "obsolete and ineffective requirements" for publications seeking advertising contracts.

#### **Create a directory:**

Right now, there's no list of community and ethnic media publications that City of San Francisco employees can refer to, nor are there internal resources to help them find those publications. A community and ethnic media liaison would have the job of putting that directory together.

This critical step is at the top of the list of recommendations from the Rebuild Local News Coalition. Seattle's ethnic media directory is central to its program.

Determining which vendors qualify as community and ethnic media requires clear and transparent criteria. New York City requires outlets to submit an online application each year, and those applications are evaluated based on a set of criteria that includes circulation and audience reach. NYC's directory had more than 350 outlets as of last year, 44 percent of which were digital, 34 percent print, and 22 percent radio and television.

The BLA took a first pass, compiling a list of 98 media outlets operating in San Francisco with circulation across the city or in specific neighborhoods. Some are in print, some online, and some publish both in print and online. Out of 98, the BLA found only seven that received city advertising, according to data in its financial system.

That number is so low probably because of how much work it takes for a publication to become eligible to receive city advertising, and the work it takes for city staffers to place those ads.

#### **Create a blanket agreement:**

The BLA report suggests "evaluate the feasibility of a citywide contract for advertising services" without going into great detail about what that agreement might look like. But our conversations with city staff provided some insight.

Citywide contracts can facilitate access to vendors providing a service to multiple City departments. Translators and language interpreters, for example, can establish a single contract with the city's Office of Contract Administration, which allows staff across various City agencies to hire them by issuing a purchase order.

"Citywide contracts are so helpful," Mehta says, "because that way the city departments don't have to do their own RFPs which can take a significant amount of time." Creating something similar for local and ethnic media could greatly streamline the placement of city advertising.

#### **Accurately track advertising spending:**

Any effort to increase city spending on community and ethnic media would require first knowing what the baseline is, and the BLA concluded that doing so would require "a mechanism for consistently recording and tracking all advertising expenditures and vendors." This may prove to be the most challenging aspect of a program.

This basic question—how much money does the City of San Francisco spend on advertising and how much goes to community media—proved to be extremely difficult for the BLA to answer. The BLA analyzed spending tagged within the city's financial system as being for advertising and found \$1.5 million ad purchases in the fiscal year 2022-2023 across all media platforms (print, digital, broadcast, outdoor, and through advertising agencies). Of that, \$417,448 (about 28 percent) was paid to print and digital publications, and \$126,527 (less than a third of that, and 8 percent of the total) went to seven community and ethnic media outlets.

Before we break out the pie chart, there's a big problem with these numbers: They leave out most of the advertising that was purchased by individual departments.

The BLA got responses from 43 of the 53 city departments it surveyed, and they reported spending a combined \$1.6 million on print and digital advertising – that's four times higher than the number above, which came from looking at financial system data. Apparently the way departments classify their spending on marketing and public awareness campaigns tends to lump print and digital ads together with other aspects of those campaigns. Many of those campaigns are contracted out to public relations firms or other third parties, and those contracts aren't categorized as advertising, nor are the ads those third parties buy for the campaigns disaggregated from the total in a way the accounting system can log.

The Daily Journal Corporation, a publicly traded publishing company based in Los Angeles, acts as an advertising representative for the city and according to the BLA report took in the highest share of advertising categorized as such in the city's financial system. The next highest share went to the ad agency Most Likely To.

It's clear that tracking advertising spending will be possible only if third-party ad buys are disaggregated from campaigns and entered under the right category in the city's financial system.

#### **External support:**

The city's liaison would have support from the journalism department at the San Francisco State University.

Department chair Jesse Garnier has been working with California Common Cause and others to think carefully about what that role would look like. If the department is able to secure funding, such as through grants from philanthropic foundations, SFSU's journalism department would be well situated to be an independent monitor and to play a role in advising, implementing, and evaluating a city advertising initiative. City University of New York's Advertising Boost Initiative plays a similar role with local and state advertising policies there.

"We would provide an education and training component, and that extends in all directions to civic leaders, city agencies, city staff, and to the publishers themselves," Garnier says.

#### The platform problem:

There will always be third-parties involved in city advertising, because of the service they provide. But when those third parties are social media platforms, the economic impact is concerning.

While advertising on social media platforms is not explored in great detail in the City's BLA report, there is one passage that gave us pause: "[A]s at least one department pointed out, advertising on search and social media can have greater reach within the intended outreach communities than some of the more traditional ethnic and neighborhood print media. Thus, program objectives cannot favor support of local media over effective outreach to these communities."

As we mentioned in the <u>community listening section</u>, we heard from many people that they rely on social media for local news and information. But we also heard that many people are uneasy and unsatisfied with those platforms. That tracks with national surveys of consumer trust. In a 2021 Washington Post poll, more than half of people did not trust social media companies with their personal information.

Aside from effectiveness, there is the question of values. "If you want a community to survive, you need to invest in helping to increase the power, the influence, the vitality of that community, and you're going to get that from investing in the media that directly serves them," observes Funabiki of Renaissance Journalism. "Frankly, it's just not fair to be throwing all your dollars at something like Meta. That's inequitable."



# COMMUNITY FEEDBACK TO USING CITY ADVERTISING TO SUPPORT LOCAL NEWS

During the last few minutes of each of our focus groups, we told participants about the government advertising policy idea and asked for their reactions.

Some immediately supported the idea, at least in principle.

"I think it sounds awesome, especially a lot of those newspapers that it"ll be supporting."

Bernal Heights Resident

"I feel that these small newspapers which go in print form to thousands of LGBT community people who are living in San Francisco, who might be older and not have access or can't go online, but they read these things very carefully and it's very dear to them. And the articles which are published, local people who write them. So I feel strongly that those small newspapers in print should be supported by these ads."

SoMa Resident

"I think it's a good idea. I think independent media and neighborhood-based media that is trying to tell the truth, they should get a share of those dollars so that they can try to build up their infrastructure, build up their feet on the ground so that they can go out there and tell the truth, go out there and sit outside people's offices and ask the tough questions that aren't getting asked."

Outer Richmond Resident

People expressed concern about how the program would be implemented, especially how to determine which news outlets would be eligible.

"This sounds great to try and support the community and local news sources, but I think the implementation is going to have to be very transparent and make sure that it's not biased in who we actually end up including."

Rincon Hill Resident

"The thing that I could see that would be of concern is ensuring organizations are maintaining some kind of journalistic standard. I mean, what keeps it from being a local *Epoch Times* that wants that money and now all of a sudden we're funding something that might even be destructive to our fundamental system?"

**Outer Mission Resident** 

A handful expressed concern that reliance on government ad dollars would disincentivize news organizations to be critical of the government or of politicians who could threaten that funding.

"The Bay View Reporter, they cover very harshly police killings. I can't imagine the police department left up to its own devices is going to say, 'Oh, let's put money into this newspaper.'"

Ingleside Resident

Two people brought up an incident as an example of the ways elected officials and others in government might politicize public advertising, depriving publications they don't like as a form of retribution.

At a Board of Supervisors meeting in 2020, a San Francisco Supervisor proposed an amendment that would remove neighborhood newspaper *The Marina Times* from the list of neighborhood newspapers granted a city contract to run legal notices. The Supervisor called the newspaper "a mouthpiece for disinformation, doxxing of public officials, and personal attacks … serving to the public fact-free and often hate-filled propaganda. I don't believe a single penny of public money should be directed from the City and County of San Francisco to support their efforts."<sup>37</sup> In the end, the amendment failed, but the spectacle was alarming to free speech advocates, who see elected officials debating whether an outlet should be eligible for advertising based on its content as a violation of First Amendment principles.

"There needs to be some care taken with how the ordinances or policies are written and then implemented so that the government doesn't control the perspective of the outlet by supporting it financially, so that it doesn't just become a government mouthpiece."

**Bayview Resident** 

SFSU's Journalism department chair Jesse Garnier acknowledges that political interference is "a real concern." Lots of things need to be ironed out to make city government advertising a more accessible source of revenue for independent community publishers, he says, like determining clear set of criteria for media outlets to participate, ensuring firewalls are in place to prevent political interference, and possibly developing a shared digital platform to make creating, sharing and publishing the ads simpler.

Even though many community members we spoke to turn to social media for local information, they're generally not happy with the economic and social impact the platforms have. When we explained that the city's report noted that some significant but unknown amount of public money is being spent on ads with digital platforms like Facebook and Google, people expressed concern.

"We shouldn't fund social media corporations, we should fund local news sources that are already underfunded."

Filipino Resident

"I would prefer that money be spent on community media because they would be able to make it linguistically and culturally responsive. They will also be able to make sure that the news is relevant and personalized to the community."

East Bay Resident

<sup>&</sup>lt;sup>37</sup> Joe Kujura, "Gadfly Local Publication the Marina Times Singled Out By Supervisors As Perhaps Unworthy of Advertising Dollars," SFist, Dec. 2, 2020, <u>sfist.com/2020/12/02/gadfly-marina-times-singled-out-by-supervisors-as-perhaps-unworthy-of-advertising-dollars</u>

# The California Local News Fellowship: Public Funding to Boost Newsrooms' Reporting Capacity

The news fellowship model has been gaining traction as a way to increase the number of local reporters providing accountability coverage of local communities. California is pioneering a publicly funded fellowship that may prove to be a model of government support for local journalism.

According to the Pew Research Center, newsroom employment dropped by 26 percent between 2008 and 2020 across all types of media, with an even sharper decline at newspapers, where newsroom employment fell 57 percent during that period. The rise in digital newsrooms made up for only a fraction of that loss.<sup>38</sup>

The best known journalism fellowship program, Report for America, was created in 2017 to address that loss. The service program places journalists in local newsrooms across the country to report on under-covered issues and communities for two-year commitments. The program covers half the reporter's salary, with the other half coming from the newsrooms themselves and local donors. RFA partners with a program called Catchlight, a fellowship for visual journalists. The current cohort includes more than 60 reporters and photojournalists working at radio and TV stations, newspapers, wore services, and newspapers, both nonprofit and for-profit. The Bay City News Foundation, *El Tecolote* and *Mission Local* are currently hosting RFA and Catchlight fellows.

The California Local News Fellowship is based on that model, but funding is provided by the state. Based at the University of California Berkeley Graduate School of Journalism, the program launched in 2022 with \$25 million in state funding appropriated by the California Assembly, spearheaded by State Sen. Steve Glazer. Program staff at Berkeley select fellows and place them in participating California newsrooms. The fellowship provides a \$50,000 annual stipend to the reporters, and participating newsrooms pay \$5,000 annually to Berkeley. The current round of funding will support three cohorts of up to 40 journalists for two-year commitments.

Four fellows from the inaugural cohort are in San Francisco newsrooms: Two at Mission Local, and one each at *San Francisco Public Press* and Bay City News Foundation. Overall, California Local News Fellows are racially, ethnically and geographically diverse, reflecting the population of the state. While most are early-career, they have experience doing local reporting and many have already experienced firsthand the impact that reporting can have.

Lila LaHood, publisher of *San Francisco Public Press*, says the fellowship model is a good one. "There's this level of trust because there's clearly no influence from the state," she says. "There's a clear firewall, there's a sense of responsibility, and the people who've been chosen to manage the program and oversee it are already trusted in the field."

The idea appears to be spreading. Washington State and New Mexico have passed bills to create state-funded reporting fellowships, and Wisconsin lawmakers are considering one, as well. It won't be long whether California lawmakers will have to decide whether to continue the program. LaHood, for one, hopes they will. "We need this level of support to have serious local journalism," she says. "And California is saying, 'This is important. We need this so that we can have informed communities and support a healthy democracy.' This is the right kind of investment in local news."

<sup>&</sup>lt;sup>38</sup> Mason Walker, "U.S. newsroom employment has fallen 26% since 2008," Pew Research Center, July 13, 2021, <u>www.pewresearch.org/short-reads/2021/07/13/u-s-newsroom-employment-has-fallen-26-since-2008</u>

### **Replanting Saves Newspapers From Hedge Funds or Closure**

When local newspaper owners decide to sell, they often have to choose between selling to a large corporate chain or hedge fund, or shutting down entirely. As a result, the U.S. is losing newspapers at a rate of more than two per week, and those that get acquired are often stripped of news staff and cease producing local news.<sup>39</sup> A new national effort has emerged to keep those newspapers open and in community hands through a practice called replanting, where nonprofits or other organizations with a social mission purchase the news properties and adjust the business operations to ensure the outlet can invest in local news.

According to Northwestern University's Local News Initiative, the country has lost almost 2,900 newspapers since 2005, including more than 130 confirmed closings or mergers in 2022 alone. Almost all of the newspapers lost are weekly papers that are often the only source of local news for small communities.<sup>40</sup>

The National Trust for Local News is leading the charge to save these newspapers from closure or consolidation. NTLN operates like a land trust. When the opportunity arises to make a purchase, NTLN recommends combining funding from national and local sources to make sure local communities have a stake in the newspapers' future.

NTLN bought a chain of newspapers in Colorado, helped a public media station buy a newspaper in Denton, Texas, and recently, with some foundation support, helped buy all the daily newspapers in Maine except one. In the case of the Maine papers, Masthead Maine wanted to sell five dailies and 12 weeklies, and a local group called the Maine Journalism Foundation tried to raise \$15 million to buy them. When it fell short, the National Trust stepped in to facilitate a local-national partnership to close the deal. The Maine newspapers are now all nonprofit, including Portland Press Herald.

The replanting strategy is already at work in California. NTLN worked with the Napa Valley Community Foundation to pool resources that helped a public benefit corporation save two family-owned weekly newspapers from closure in 2022. The Calistoga Tribune's owners announced it was up for sale, and the Yountville Sun's owners announced it would soon cease publication. Local residents came together to save the papers, forming Highway 29 Publishing. The parent company will centralize some financial operations while leaving the newsrooms to operate independently.<sup>41</sup>

Raising money to buy a newspaper is not a quick or easy process, which is where public policy comes into play. California Common Cause, NTLN, the Rebuild Local News Coalition and other policy experts are exploring and advocating for measures that will aid the replanting process in California:

- Public funding for a loan and grants program that would provide news businesses or community stakeholders with the resources they need to purchase a local newspaper for sale.
- Tax incentives for nonprofits or public benefit corporations that want to buy a newspaper to keep it locally controlled or owned, or for for-profit businesses that donate or sell a newspaper to a local nonprofit organization committed to providing significant local reporting.
- If government funding is not politically feasible, there's a budget-neutral option: a required waiting period before a newspaper can be sold, to give potential local and community buyers to pull together the capital to make a bid.

<sup>&</sup>lt;sup>39</sup> Penelope Muse Abernathy, "The State of Local News: The 2023 Report," Medill Local News Initiative, Northwestern Universty, November 16, 2023, <u>localnewsinitiative.northwestern.edu/projects/state-of-local-news/2023/report</u>

<sup>40</sup> Ihid

<sup>&</sup>lt;sup>41</sup> Edward Booth, "Calistoga Tribune and Yountville Sun bought by new Napa Valley media group," Napa Valley Register, Nov. 10, 2022, <a href="https://www.pressdemocrat.com/article/north-bay/calistoga-tribune-and-yountville-sun-bought-by-new-napa-val-ley-media-group">www.pressdemocrat.com/article/north-bay/calistoga-tribune-and-yountville-sun-bought-by-new-napa-val-ley-media-group</a>



### **CONCLUSION**

Saving local news in San Francisco, in California, and in the nation will take multiple policy solutions and stakeholders from a variety of perspectives. But that needn't be overwhelming.

The mandate from the community is clear. Community members want good, honest news that is rooted in their community and covers the issues that matter to their everyday lives. Today, they don't get enough of that, and they are hungry for more.

The idea of shifting city advertising to local and ethnic media in San Francisco could support the news that people want, but is surprisingly difficult to implement. It will take patience and determined bird-dogging by democracy reform advocates and local publishers, maybe over multiple years.

No matter the challenges, the era of journalism's decline may finally be behind us. New publications and new solutions are rising from the ashes.



# **Appendix**

# How the Bay Area Independent Community Media Coalition Defines "Community-Specific Media"

Policy requires clear definitions. For the purposes of a policy to increase City of San Francisco advertising in community and ethnic media, the Bay Area Independent Community Media Coalition defines the key terms this way:

Community-specific media The term "community-specific media" means a news outlet that primarily serves a community based on racial, lingual, ethnic, or sexual identity or covers a discreet geographic area in San Francisco.

Qualified Media Outlet The term "Qualified Media Outlet" means a publication that:

- A. is a community specific media outlet that employs professionals to create, edit, produce, and distribute original content at least 25 percent of which concerns local matters of public interest through reporting activities, including conducting interviews, observing current events, or analyzing documents or other information;
- B. has 33 percent of its audience in San Francisco;
- C. has at least one employee employed full-time for 30 hours a week or more dedicated to providing coverage of San Francisco and living within 30 miles of the coverage area, who is involved in gathering, preparing, collecting, photographing, writing, editing, reporting, or publishing original local or state community news for dissemination to the local or state community;
- D. in the case of print publications, has published at least one print publication per month over 11 of the previous 12 months;
- E. in the case of digital-only entities, has published one piece about the community per week in 48 of the previous 52 weeks;
- F. in the case of hybrid entities (those that have both print and digital outlets), meets the requirements in either D or E;
- G. has disclosed in its print publication or on its website its beneficial ownership or, in the case of a not-for-profit entity, its board of directors;
- H. in the case of an entity that maintains tax status under § 501(c)(3) of the federal Internal Revenue Code, has declared the coverage of local news as the stated mission in their filings with the Internal Revenue Service, and has at least 51 percent of their board residing in the City;
- I. has not received more than 50 percent of its gross receipts for the previous year from political action committees or other entities described in § 527 of the federal Internal
- J. Revenue Code, or from an organization that maintains § 501(c)(4), (c)(5), or (c)(6) status under the federal Internal Revenue Code;
- K. employs no more than 20 full-time employee employed full-time for 30 hours a week or more;
- L. regular and consistent publication for at least two years
- M. is San Francisco-owned, registered, or organized in San Francisco, or is managed and operated in San Francisco.