

A G E N D A



Recommendation for Council Action

Austin City Council	Item ID	70665	Agenda Number	8.
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Meeting Date:	6/8/2017	Department:	Economic Development
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Subject

Approve a resolution creating the Art Space Assistance Program as an economic development program of the City, and approve program guidelines.

Amount and Source of Funding

Funding in the amount of \$200,000 is available in the 2016-2017 Music Venue Loan Program Fund, Special Revenue Fund of the Economic Development Department.

Fiscal Note

N/A

Purchasing Language:	N/A
Prior Council Action:	
For More Information:	Kevin Johns, Director of Economic Development Department 512-974-7819/Sylvia Holt-Rabb Assistant Director of Economic Development Department 512-974-3131
Council Committee, Boards and Commission Action:	
MBE / WBE:	
Related Items:	

Additional Backup Information

The Economic Development Department's (EDD) response to the June 2016 Omnibus Resolution (Resolution No. 20160303-019) identified affordable space for artists as a priority area of concern. Preserving and increasing the supply of available space for creative people involves the public and private sector working collaboratively to assess existing space needs, anticipate future user demand, and find ways to efficiently bring forward that supply of space. The public sector plays a role in facilitating the provision of space in several key ways.

TEDD's Art Space Assistance Program (ASAP) will provide grants to support non-profits facing permanent displacement, those previously displaced, or those facing lease renewals at substantially higher rates amidst a volatile real estate market. This grant program is made possible through one-time funding from the City of Austin General Fund. Non-profits serving high at-risk/disadvantage communities, ALAANA (African-, Latino, Asian-, Arab- and Native American) communities and women organizations are encouraged to apply. Financial assistance may be used for:

- Tenant Improvements
- Rent stipend

Only one financial assistance grant may be awarded per project/organization per funding cycle. Only organizations that have been displaced and relocated since January 1, 2016, or that are facing renewal of a lease at substantially higher rates are eligible for financial assistance grants. If City Council chooses to extend this program, funding preference will be given to first-time applicants. Prior recipients will be given priority after the completion of their three-year business plan following their initial award date.

Successful applicants to the ASAP program will commit to the following:

- Job Retention – With receipt of these funds the organization will commit to maintain current employment levels.
- Professional Development – Agree to participate is host one professional development opportunity for the community (speaker, workshop, webinar, etc.), in partnership with the Economic Development Department
- Career Development – Agree to engage in career development opportunities with Austin Independent School District, other school districts operating in Austin, or other entities that provide information about career options for students in K-12.

The pilot grant program is being launched with \$200,000 in one-time funding available for the Music Venue Assistance Program. Based on recent real estate trends, EDD anticipates overwhelming demand for the funds. Organizations with at least a 3-year lease term may apply for a financial assistance grant up to \$50,000 for Tenant Improvements and up to \$35,000 for Rent Stipend. Tenant Improvement Grants will require a 50% match. Potential candidates with less than a 3-year lease must be able to illustrate how the ASAP can be of benefit via required submission of a 3-year business plan and narrative.

Grants will be made on a competitive basis, determined by the financial urgency, length of the lease, project readiness, the applicant's organizational and financial stability, and the applicant's track record of serving disadvantaged communities. Priority will be given to organizations confronting immediate and critical needs.

After applications are reviewed initially by staff, a Grant Review Committee comprised of public and private sector leaders in the arts, banking and real estate will evaluate the applications and make final recommendations to EDD.