

## **RESOLUTION NO.**

**WHEREAS**, the City Council has supported multiple resolutions recognizing the importance of creativity as a cornerstone of Austin's identity and economic prosperity, generating rich, social, cultural and economic benefits, and being key to the City's unique and distinctive character; and

**WHEREAS**, Austin's creative communities continue to struggle to afford spaces to live, work, and promote their creative talents and the City has opportunities to create solutions, to further the vision of Imagine Austin Comprehensive Plan, through land development code changes and additional strategies successfully implemented in other creative supportive cities through trusts, public/private partnerships and other financing mechanisms; and

**WHEREAS**, the people of Austin value our local creative talent but may be financially challenged to afford to own, be supportive, and able to easily access or know where to access the products of our creative community's talent; and

**WHEREAS**, most arts and cultural organizations are small, local businesses bringing character and uniqueness to neighborhoods and the city's core, drawing both residents and visitors and providing economic spill-over effects that positively contribute to surrounding businesses and quality of life but are suffering from escalating property and lease pricing and displacement by new larger scale development; and

**WHEREAS**, Resolution No. 20160303-019 resulted in formation of a working group to evaluate recommendations and proposed policies, tools, and programs, as well as identify gaps and recommend actions to help provide relief for the city's creative community; and

**WHEREAS**, Resolution No. 20170302-034 initiated a stakeholder process to develop recommendations for revising the City's economic development incentives policies to result in more equitable and inclusive economic opportunities and increased community benefits; and

**WHEREAS**, on December 5<sup>th</sup> the economic development department provided to the council an Economic Development Policy Update outlining community outreach and research and efforts to refocus economic development policy to extend beyond business recruitment, including expanding the range of tools and programs as well as their next step to provide a draft presentation of 2018 Chapter 380 policy during the first quarter of 2018; and

**WHEREAS**, the December 5, 2017 briefing identified Ordinance 20090312-005 as eliminating economic development incentives for mixed-use development projects having a retail component and there being an opportunity to refine and update this policy direction; and

**WHEREAS**, there is a substantial body of evidence that cultural spaces bring economic value to property owners and project proponents that preserve existing cultural spaces or create new cultural spaces as part of their developments, giving visibility to the cultural artists but also distinguishing their development as a cultural destination; and

**WHEREAS**, retail for street-level use becomes harder to find as that space is proliferated and cultural uses are excellent candidates for signature buildings and ground level activity to help ensure those spaces remain activated and provide creative cultural arts as an integral part of our community fabric; and

**WHEREAS**, conditions remain challenging for the City’s creative community to create, activate, and preserve affordable places to work in Austin’s booming real estate environment; and

**WHEREAS**, the community is actively organizing the creation of a publicly owned, municipally affiliated, non-profit community land trust to develop and steward community assets; **NOW, THEREFORE**,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

The City Manager is directed to analyze and provide next steps for collaboration and support of a community arts stabilization trust, the “Austin Cultural Trust”, that creates, through purchase and long-term lease, affordable spaces that supports artists and arts organizations, preserves historic and iconic cultural buildings and spaces for creative and cultural uses, and functions in a way that provides for cultural assets to exist in all parts of the city. The analysis should consolidate the following as a resource for a cultural trust:

- The completed Cultural Asset Mapping Project report, including a catalog of existing space/cultural assets and potential assets;
- The completed catalog of creative community organizations and individual space needs;
- The completed catalog of examples of successful artist-space projects that can be presented to banks and other funding agencies to demonstrate the potential market;
- A catalog of city-owned land available for consideration for the cultural trust; and

- Identify a potential existing staff position that could serve as a Cultural Space Liaison to coordinate with the Cultural Trust and City sponsored efforts and programs.

**BE IT FURTHER RESOLVED:**

The City Manager is directed to review potential modifications to Ordinance 20090312-005 to potentially allow economic development incentives for built, mixed-use properties having a retail component with vacant underutilized space and further develop a program providing strategies to utilize vacant retail and commercial space in support of creative endeavors that enhance mixed-use, commercial properties and their surrounding communities. The following elements should be part of future programs for council consideration within the 380 Agreement framework, and recognize a cultural asset contributes value to developments that serve as a host or home for these creative enterprises. The proposed program should consider:

- Tiered spaces of varying size for short, long term, and permanent use;
- “Craft Certification” that brands and markets dedicated spaces and certifies people that support and promote a vibrant arts community in a way that reflects the level of commitment, similar to the concept identified in the city of Seattle’s May 2017 CAP Report;
- Ways to reduce or waive permit fees for certified Cultural Space projects; and
- Potential funding mechanism within economic development department’s budget allocations or other sources.

**BE IT FURTHER RESOLVED:**

The City Manager is directed to explore and provide options, whether public or private, to enable micro loans for Austinites to invest in and own local art products as is made available through similar successful models in Sydney Australia, England, the Netherlands and Tasmania.

**BE IT FURTHER RESOLVED:**

The City Manager is directed to explore and provide options, whether public or private, to continue and expand the pilot program to enable micro loans and grants for space needs.

**BE IT FURTHER RESOLVED:**

The City Manager is directed to explore and provide options in CodeNext to incentivize “Art Facilities” along corridors, Imagine Austin Comprehensive Plan centers, other pedestrian-oriented streets, and existing arts spaces.

**BE IT FURTHER RESOLVED:**

The City Manager is directed to report by March 22, 2018 the following:

- Next steps for support and collaboration with a community cultural trust in alignment with current staff efforts to explore the creation of an Economic Development Corporation;
- A proposed plan and next steps to expand utilization of vacant retail and commercial space for creative endeavors;
- Options for providing micro loans to Austinites to invest in local art;
- Options for providing micro loans and grants for cultural space needs; and

- Options available in CodeNext to incentivize “Art Facilities” along corridors, centers, other pedestrian-oriented streets, and existing arts spaces.

**ADOPTED:** \_\_\_\_\_, 2018

**ATTEST:** \_\_\_\_\_

Jannette S. Goodall  
City Clerk

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