



## ARTS COMMISSION RECOMMENDATION No. 20180416\_6.a.ii

Date: April 16, 2018

Subject: Recommendation to combine the requests made by the Arts Commission for \$25,000,000 for property purchase/ adaptive reuse for creative space and by the Music Commission for \$15,000,000 for acquisition and development of property to develop an Austin music hub for musicians to be included in the 2018 Bond Package, and to continue to support the Bond Election Advisory Task Force's recommendation for \$67,500,000 for Cultural Centers.

Motioned By: Commissioner Amy Mok

Seconded By: Commissioner Jaime Castillo

### **Recommendation**

*The Arts Commission recommends combining the two requests made by the Arts Commission (ARTS COMMISSION RECOMMENDATION 20180319-6.a.i.) and the Music Commission (MUSIC COMMISSION RECOMMENDATION 20180402-5b) into a single request for inclusion in the 2018 City of Austin Bond Package to purchase land and/or re-purpose facility/facilities into a campus/campuses to support the needs of music and arts communities.*

*The Arts Commission also continues to prioritize the recommendation of the Bond Election Advisory Task Force's proposed \$67,500,000 in bonds for the city's cultural centers as listed in Arts Commission Recommendation 20180319-6.a.i.*

### **Description of Recommendation to Council**

In response to the Music Commission's bond recommendation of April 2, 2018 which states its desire to explore combining their request for \$15,000,000 for acquisition and development of property for creation of an Austin music hub with the request put forth by the Arts Commission for \$25,000,000 for purchase/adaptive reuse of property for creative space, the Arts Commission hereby ratifies the recommendation by the Music Commission to combine efforts and recommends both requests of \$25,000,000 and \$15,000,000 be added to the 2018 Bond package for the purchase of land/re-purposing of existing facilities to develop campus/campuses to serve the needs of both the arts and music sectors and be used by multiple individuals, groups, and organizations.

The Arts Commission also continues to prioritize the recommendation of the Bond Election Advisory Task Force's proposed \$67,500,000 in bonds for the city's cultural centers as listed in Arts Commission Recommendation 20180319-6.a.i.

### **Rationale:**

Austin's art and music sectors generate financial prosperity for the city, create jobs, generate tourism, define our identity, and bring new businesses into the city. *The Economic Impact of the Creative Sector in Austin (2012 Update)* indicated the creative sector's total impact on the local economy is \$4.3 billion annually, and generated over \$71 million in city tax revenues and almost 49,000 jobs. *The Economic*

*Impact of Music (2016 Update)* documented a \$169.4 million increased economic impact of music activity in the local economy from the figures from that reported in 2010. The Creative Vitality Index created by Westaf measures the concentration of nonprofit and for-profit arts activity nationwide. In 2016, the Austin area ranked 37 out of 933 metropolitan areas in the United States with vibrant creative economies. The US News and World Report ranks Austin the #1 place to live in the U.S. due to “the Texas capital’s music, outdoor spaces and cultural institutions.”

The 2012 Imagine Austin Comprehensive Plan articulates the value of arts and music to Austin, pledging to expand access to affordable and functional creative space for creative industry businesses (Creative Policy 8), to supporting the development of creative industry hubs, districts, clusters and neighborhood anchors (Creative Policy 9), and to support up-to-date infrastructure and adaptive reuse of buildings so local and creative businesses can thrive (Economic Policy 6). The Music and Creative System Omnibus Resolution passed on March 6, 2016, recognized both the City’s commitment to music and arts and the significant challenges faces by these communities.

Arts and music venues are closing or under threat of closure at alarming, rates. Those that are not closing are struggling. As property values climb, these businesses and individuals face rising rents, sales pressures and other factors. Threadgill’s, Hole in the Wall, Salvage Vanguard Theatre, the Off Center, Women and their Work, Flatbed Press – these businesses and myriad others have been or are being forced out of leases due to the sale of their rental property. (See attached running list of institutions/venues that have either lost their leases or soon to lose their lease or close). These losses upend the arts and music ecosystems, and the closing of one venue affects all who create, perform or exhibit there. For example, in 2016, the Off Center hosted 121 separate arts and music events attended by thousands of audience members. These performance spaces have not been replaced, and the list of affected-organizations and artists only continues to grow.

In the Music and Creative Ecosystem Stabilization Recommendations put forward in June 2016, Recommendation 1.1.1 calls for promoting the establishment of multiple music and creative industry hubs through public-private partnerships to boost local industry capabilities. The report further recommends that the City strategically leverage public sector financing to increase the financial feasibility of developments that provide affordable commercial and residential space for artists and musicians (creatives) **and identifies ways to fund the public sector investment through the passage of bonds and tax incentives.** (Emphasis added).

In the recently adopted City of Austin Strategic Plan, the Culture and Lifelong Learning Outcome highlights the “vibrancy and sustainability of the creative industry ecosystem,” as a key indicator with a metric focused on the “number and percentage of creatives who report having access to affordable creative space.” Multiple studies (including the Music Census, Building Austin’s Creative Capacity, the Music and Creative Ecosystem Stabilization Recommendations, and the Creative Space Survey) all reflect this overwhelming need, sector-wide, for affordable creative space. A strategy included in the Plan supports “Leverag[ing] City-owned assets (buildings and land) to increase the amount of affordable creative space that is available to working artists, and incentivize the equitable and inclusive development, redevelopment, and use of other publicly and privately owned assets for creative space.”

For the reasons stated above and in both the Arts and Music Commissions’ initial Recommendations (see attached), it is imperative that the City of Austin invest in the music and arts communities in order for these sectors to continue to bring economic prosperity to Austin. By providing bond funds for building a campus/campuses and/or hubs with anchor music and arts institutions, the City of Austin can provide the arts and music sectors stability and the ability to grow and continue to build the local economy and maintain our quality of life.

**Vote 7-2-1**

For:

Vice Chair Michelle Polgar	Mayor's Appointee
Commissioner Jaime Castillo	District 2
Commissioner Felipe Garza	District 3
Commissioner Krissi Reeves	District 7
Commissioner Chris Bryan	District 8
Chair Lulu Flores	District 9
Commissioner Amy Mok	District 10

Against:

Commissioner Renee Rice	District 5
Commissioner Bears Fonte	District 6

Abstain:

Commissioner Alissa McCain	District 1
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Absent:

Commissioner Brett Barnes	District 4
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Attest: *Anne-Marie McKaskle-Davis, Arts Commission Staff Liaison*



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