



## MUSIC COMMISSION RECOMMENDATION 20220404-3a

Date: April 4, 2022

Subject: Music Commission Budget Recommendation FY 2023

Motioned By: Vice-chair Patterson

Seconded By: Commissioner Reynolds

### **Recommendation**

The Music Commission recommends \$15 Million for FY 2023 from any and all available sources to sustain, strengthen, and build the Austin music economy.

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

The Music Commission, in support of Austin's unique music ecosystem, recommends that the Austin City Council designate a \$15 Million investment for FY2023 to Austin music professionals and enterprises for the purpose of growing operations, fueling Austin music industry growth, and supporting the music community in a visionary way.

The Commission gratefully acknowledges the support the Austin music industry received from the City of Austin through COVID relief programs. As we emerge from a two-year pandemic period, the Commission recommends robust dedicated funding to transform and elevate the Austin music economy.

Sources for the requested \$15 Million could include, but are not limited to the General Fund, hotel occupancy taxes (outside of the Live Music Fund), public-private partnerships, and other sources.

The commissions recommends the following investments:

1. As ATX music is a driver of tourism, an increase in Visit Austin's budget specifically to create a **dedicated Music Marketing Fund** for the Austin music ecosystem, targeted to audiences both within and outside of Austin.

*Budget request: \$3 Million.*

*Source: Hotel Occupancy Taxes*

2. A 3<sup>rd</sup> round of **pandemic disaster relief for musicians** due to need vastly outstripping demand in 2021, with the goal of helping musical artists remain in Austin.

*Budget request: \$3 Million.*

*Sources: General Fund, partnerships with private sector entities*

3. Investment in the **development of a music-centered capital venture** which includes **low-cost rehearsal, studio and other creative music spaces**, and **affordable housing units**.

*Budget request: \$9 Million.*

*Sources - Project Connect Anti-Displacement funding, General Fund, Density Bonus fees. With the addition of funding from Federal tax credits for affordable housing and private sector partnerships the total project budget should target \$25 Million for a complete development **unique to Austin, Texas.***

**Rationale:**

- Austin is the Music Capital of the World and the music industry here is a major driver of tourism and economic growth for the City of Austin.
- Austin is facing an affordability crisis, with market-rate real estate out of reach for most musicians, venues, and music industry workers.
- The pandemic has continued to create severe economic losses and uncertainty for the future.
- The music community, with the strong encouragement and support of the Music Commission, is in the process of developing equity & fair pay programming initiatives that will require funding to be viable.
- The Live Music Fund concept was created in acknowledgement of the need to financially support the growth of the Austin Music Industry.
- The Creative Space bond was created in acknowledgement of the increasing scarcity of affordable space for venues, studios, and other spaces designated for creative uses.

**Conclusion**

Swift action to appropriate these funds will help move Austin’s music industry out of recovery and into growth and transformation. It will further demonstrate the City Council’s acknowledgement of the critical role the music community plays in the overall economic portfolio of Austin, Texas.

**Vote**

For: 8 (Chair Patterson, Vice-chair Medicharla, Commissioners Reynolds, Gould, Limon, Mahone, Pike, Strickland)

Against: 0

Abstain: 0

Absent: 3 (Commissioners Garcia, Rosenthal, and Sullivan)

Attest: Kim McCarson

---