

MEMORANDUM

TO: Mayor and Council

FROM: Sylnovia Holt-Rabb, Director, Economic Development Department

Kimberly McNeeley, Director, Parks and Recreation Department

Kimberly Olivares, Deputy Chief Financial Officer

DATE: June 21, 2023

SUBJECT: Resolution No. 20200521-095 – Staff Response

On May 21, 2020, Council approved <u>Resolution No. 20200521-095</u> directing the City Manager to prepare and take appropriate action to ensure the long-term sustainability of Austin's creative culture, including its arts and music industries. This is an updated staff response to close-out the following Council directives:

- 1. Review the portfolio of city-owned buildings and make recommendations to City Council on properties that may be suitable for cultural uses, as a part of the strategic facility planning process and the efforts to establish the EDC and cultural trust(s);
- 2. Engage regional partners, including, but not limited to, the Austin Independent School District, for the potential adaptation of facilities to creative space;
- 3. Ensure that efforts enhance accessibility for underrepresented communities in order to achieve equity and diversity in program outcomes;
- 4. Review the City of Austin's capital project delivery planning and make recommendations that may accelerate investment in cultural venues and deployment of approved bond funding for creative space;
- 5. Release solicitation materials needed to obtain the maximum breadth of proposals from creative organizations for use of the 2018 Creative Spaces bond and for spaces that may be appropriate for a cultural trust or economic development corporation; and
- Consult with the Music Commission and the Live Music Fund Working Group to explore ways of
 using the Live Music Fund for the long-term sustainability of the live music industry and
 evaluate other investments that would help enhance the live music and cultural tourism
 economy.

Review the portfolio of city-owned buildings and make recommendations to City Council on properties that may be suitable for cultural uses.

The Strategic Facilities Governance Team (SFGT) is an interdepartmental team of City staff from the Financial Services Department (FSD), Building Services Department (BSD), and Economic Development Department (EDD). The SFGT meets monthly to review the portfolio of city-owned property and identify the best and highest use of each City asset. Additionally, the SFGT meets bimonthly with the Austin Economic Development Corporation (AEDC) to evaluate City-owned buildings that may be suitable for cultural uses. To maximize the SFGT's resources and align the review with Council direction in Resolution No. 20221201-041, the SFGT has begun working with the AEDC to evaluate the potential redevelopment of 505 Barton Springs Road (One Texas Center), 124 W. 8th Street, 3002 Guadalupe, and 411 Chicon for cultural uses. The evaluation of these City-owned buildings is ongoing, and staff has no final recommendations.

On December 8, 2022, the City Council approved staff's recommendation in Resolution No. 20221208-029 authorizing a lease approximately 7,006 square feet in the City's Permitting and Development Center to the AEDC. The space will serve as a part of the City's Cultural Trust and improvements, funded by the City, will include an art exhibition space that will be open to the public, a multi-use theatre space, small rehearsal rooms that can be used for rehearsals, education, and recording, and some shared workspaces. It is anticipated that this space will be occupied continuously as a vibrant community center as well as a place to cultivate career development for artists. Additionally, this resolution approved funding for renovations at the Millennium Youth Entertainment Complex (MYEC). The renovations will add capacity for additional theatrical and cinematic uses in the space and support of creative arts organizations. The MYEC plans to offer the space to school children for oratory practice and competitions, as well as individuals interested in the film and arts industry who need a space to develop their craft (i.e., film makers, directors, stage managers, light and sound technicians, musicians).

Regarding opportunities in new developments, the exclusive negotiating agreements for the development of City-owned property at Ryan Drive, St. Johns, HealthSouth, and Colony Park include allocating space for community needs and priorities including creative uses. Specific recommendations for these sites will be developed and shared with Council as these redevelopment projects progress.

Engage regional partners, including, but not limited to, the Austin Independent School District, for the potential adaptation of facilities to creative space.

City staff and the AEDC continue to connect with AISD staff to explore and consider potential adaptation of AISD facilities for creative use. AEDC created a real estate committee in April 2022 and an AISD representative serves on this committee for collaboration. Additionally, the SFGT commits to engaging with additional regional partners to assess the potential adaptation of facilities to creative spaces.

Ensure that efforts enhance accessibility for underrepresented communities to achieve equity and diversity in program outcomes.

City staff and the AEDC are committed to achieving equitable program outcomes benefiting historically underrepresented communities. For example, one of the Austin Cultural Trust's key priorities is "achieving diversity, equity and inclusion." To that end, as part of the Austin Cultural Trust Request for Proposals, AEDC evaluated organizations' applications on several factors including a demonstrated commitment to diversity, equity, and inclusion. City staff will ensure that initiatives with AEDC, AISD, and other regional partners continue to center the needs of historically represented communities as we work to ensure the long-term sustainability of Austin's creative culture.

Review the City of Austin's capital project delivery planning and make recommendations that may accelerate investment in cultural venues and deployment of approved bond funding for creative space.

The Park and Recreation Department (PARD) confirms cultural facilities projects are moving forward. The projects are at different stages of implementation as they have been staggered to maximize PARD's resources. All PARD cultural centers have a Facility Plan which provides the basis for each project's development progression.

- Dougherty Arts Center's (DAC) project is in the Construction Document <u>phase</u> and has been formally submitted for site permit;
- Emma S. Barrientos Mexican American Cultural Center's (MACC) Phase 2 Expansion project is in the Construction Document;
- Asian American Resource Center (AARC) has completed the Schematic Design <u>phase</u>; and is initiating the Design Development phase
- George Washington Carver Museum (Carver) is completing the renovation of the existing
 facilities and about to commence the phase 1 improvements identified in the facility expansion
 plan (see Phase 1 update); and
- Mexic-Arte Museum is a 3-story museum rehabilitation project funded by a total of \$20 million
 City of Austin Bond funds approved by voters for major renovations and improvements. EDD is
 the bond fund manager and Public Works is the capital improvements manager. The
 design, construction documents, and permitting are projected to be completed by Fall 2024.
 EDD staff is currently working with museum staff to identify potential temporary exhibition,
 administrative, and storage space before construction is expected to commence in late 2024.

Per Mayor and Council Resolution <u>20221208-068</u>, the project teams are advancing the DAC and MACC projects into the construction phase as early as is feasible. However, in order to do so without reductions to the proposed DAC project scope as directed, funding is needed from the next anticipated General Obligation Bond election. Project schedules have been adjusted to account for this anticipated bond election in 2024, as is referenced in the resolution.

Release solicitation materials needed to obtain the maximum breadth of proposals from creative organizations for use of the 2018 Creative Spaces bond and for spaces that may be appropriate for a cultural trust or economic development corporation.

Per the Interlocal Agreement between the City and the AEDC, the AEDC issued the Austin Cultural Trust Request for Proposals for organizations and operators that (1) sought to preserve and maintain the continued operation of venues that are at risk of displacement due to economic constrains; and (2) sought to provide new facilities and space for creative and cultural uses. The RFP closed on March 31, 2022, but "Pipeline Only" submissions were accepted through May 31, 2022 to understand the space needs of the broader community of organizations that may not be ready to submit for initial investment. Council received an Austin Cultural Trust Briefing from the AEDC on December 6, 2022. City staff continue to work with the AEDC to identify and align resources to advance the 14 projects identified for due diligence.

Consult with the Music Commission and the Live Music Fund Working Group to explore ways of using the Live Music Fund for the long-term sustainability of the live music industry and evaluate other investments that would help enhance the live music and cultural tourism economy.

City staff continue to consult with the Music Commission and the Live Music Fund Working Group to explore uses for the Live Music Fund, long-term sustainability of the music industry, and investments to enhance the music economy. EDD staff are the primary liaisons between the City and the Music Commission, which convenes monthly. Staff is preparing a timeline summarizing input from the Music Commission and the Live Music Fund Working Group regarding the Live Music Fund. The timeline will be finalized and distributed when staff announce the application period for the Live Music Fund Event Program, which is scheduled to open in April 2023.

If you have additional questions regarding the content of this staff update, please contact Susana Carbajal, Deputy Director, Economic Development Department at susana.carbajal@austintexas.gov or 512-974-2640.

Cc:

Jesús Garza, Interim City Manager
Veronica Briseño, Assistant City Manager
Stephanie Hayden-Howard, Assistant City Manager
Ed Van Eenoo, Chief Financial Officer
Kimberly Olivares, Deputy Chief Financial Officer
Kimberly McNeeley, Director, Parks and Recreation Department