



June 22, 2023

Dear City of Austin Planning Commission Members,

The [Red River Cultural District \(RRCD\)](#) respectfully requests the Planning Commission to review the following recommendations and concerns presented below before endorsing the Palm District Plan item to the Austin City Council. We sincerely appreciate the dedicated time and effort the Planning Commission working group has invested in engaging with representatives from our live music venues and local businesses, allowing our community to voice their questions, concerns, and suggestions.

- **Request an Impact Assessment to evaluate the economic, land, and operational implications of the proposed amendment to City Code Title 25 (Land Development Code) on existing businesses and live music venues.** RRCD aims to establish a collaborative partnership and equal stakeholder status in the ongoing development of the Waterloo Greenway project and Palm District Plan. However, RRCD is currently unable to endorse the amendment to City Code 25 due to insufficient information regarding its potential effects on existing private properties, particularly live music venues, small businesses, and cultural assets. The undisclosed or vetted impacts, such as reductions in square footage, building rights, and economic consequences, raise concerns. RRCD seeks clarity on how each venue and business will be affected by the proposed setbacks and development standards. As Austin's growth continues, affordability challenges and new developments have already strained our city's and RRCD's cultural assets. Imposing additional hardships on businesses and live music venues in favor of a neighboring project worsens the sustainability issues faced by our cultural, heritage, and live music ecosystems. Therefore, we kindly request either conducting an impact assessment for properties within the Red River Cultural District or providing information on these impacts before adopting the proposed amendment to City Code Title 25.
- **Secured commitment with an expedited timeline of six months to address regulatory tools to ensure the preservation of the Red River Cultural District**

and other cultural, heritage and local assets. It is highly recommended that these regulatory requirements be acknowledged and given priority by the relevant Boards, Commissions, and City Council. Failure to make these commitments will result in further displacement. Regulatory considerations, such as incorporating an overlay into the Land Development Code, may involve the following actions:

- a. Developing and implementing a Creative Space Overlay specifically for the geographic areas of the RRCD.
- b. Mandating a minimum percentage of ground-floor spaces exclusively designated for live music, cultural arts, or affordable small businesses.
- c. Requiring a minimum portion of the total site development square footage to be allocated for live music, cultural arts, or affordable small business purposes.
- d. Exploring the facilitation of transfers of development rights to support the preservation of live music venues, arts facilities, or longstanding businesses.

2. Secured commitment with an expedited timeline of six months towards the engagement and creation of cultural space preservation incentives including:

- a. **Updates to the Downtown Density Bonus Program:** Allow additional entitlement for inclusion of these target spaces in a site, or for dedication of a fee-in-lieu for preserving these spaces off-site but within the specific district.
- b. Prioritization and expedited timeline to [Ordinance #20180830-058](#): Revisit the direction from City Council towards the development of a **Location Enhancement Program** and real estate gap financing program as a mechanism for live music, cultural space, and small business preservation.
- c. Prioritization and expedited timeline of [Resolution # 20220728-094](#) finalizing the **definition needs and creation of a bonus and incentive program.**
- d. Prioritization and expedited timeline to revisiting the [City's Chapter 380 Policy](#). The current policy falls short of what the state statute allows. Revisiting this policy to consider other incentives or tools could bring tools and mechanisms for small business and creative space preservation into consideration
- e. Exploration of programmatic resources for tenant interior improvements that result in revenue generation and facade enhancements.

3. Commitment to an implementation strategy with resources for regulatory, financial and programmatic support and a governance structure that includes representation and equal voice and weight to all stakeholders and initiatives within the Palm District Plan. RRCD does not support at this time the Waller Creek Local Government Corporation as the governance body as this excludes representation from Red River Cultural District, Emma S. Barrientos Mexican American Cultural Center,

Fifth Street Mexican American Heritage Corridor, Historic 6th Street, and others operating in the Palm District defined area. For the Palm District Plan to be successful, it must prioritize valuing each existing, evolving, or new uses and stakeholders in this geographic area equally and with value.

- 4. Conduct a Market Analysis:** Hire a qualified third party to collect and analyze market data including trends and anticipated impacts with new projects to best understand the real world feasibility and tools necessary to achieve community goals including cultural assets and live music venue preservation and the inclusion of affordable housing and ground floor retail.

The Red River Cultural District appreciates your attention to this item, and welcomes the opportunity to further discuss. Please contact me for further information and communication at Nicole Klepadlo, interim Executive Director Red River Cultural District, nicole@redriverculturaldistrict.org.

Sincerely,

Red River Cultural District Board of Directors
Nicole Klepadlo, interim Executive Director Red River Cultural District

About Red River Cultural District:

Located within the City identified "Palm District", the **Red River Cultural District** is a creative community providing authentic Austin experiences through diverse local music, art and food for every fan and guest. Located in the heart of Downtown Austin, this cultural tourism destination and entertainment district extends from 4th Street to 15th Street along Red River; Interstate 35 to the East, as well as Neches Street and as far as Trinity Street to the West. The Austin City Council approved a [resolution](#) creating the district in 2013, followed by the Texas Commission on the Arts (TCA) designating the area in 2020 as a [State Cultural District](#). As a 501(c)(3) charitable organization, the RRCD is managed by the Red River Merchants' Association, which seeks to preserve and grow Red River's creative, business and music ecosystem responsibly and sustainably.