RESOLUTION NO. 20240229-060

WHEREAS, Red River Cultural District is a nationally acclaimed area with a decade-long tradition, a unique history, and economic and cultural heritage that significantly contributes to Austin's credibility as one of the world's premier creative cities; and

WHEREAS, the City recognizes that Red River Street promotes Austin's tourism industry and contributes to the creative vitality, cultural relevance, and residential attractiveness of our City and its downtown area; and

WHEREAS, Red River Street is vital to the annual South By Southwest (SXSW) event and to our claim as the Live Music Capital of the World as set forth on August 29, 1991, in Resolution No. 910829-46, and a major destination for national and international touring acts; and

WHEREAS, on December 5, 2011, the Austin Music Commission unanimously adopted a resolution to support the establishment of the Red River Live Music Heritage District; and

WHEREAS, on December 8, 2011, City Council adopted the Downtown Austin Plan that included recommendations for the Red River Cultural District, including Downtown, consisting of a variety of districts and destinations that support the creative expression of Austin's community through art, music, theater, dance, and performance; and

WHEREAS, in 2012, the Imagine Austin Plan established a vision that Austin would be a leader in creative and artistic fields but acknowledged that rising costs of living and working in Austin may affect the long-term viability of the arts community; and

WHEREAS, in 2012, a report entitled The Economic Impact of the Creative Sector in Austin, evaluated the relationship between culture, creativity, and economic activity locally and provided specific recommendations to live music venues that impact the long-term sustainability and viability of the Red River Cultural District; and

WHEREAS, on October 17, 2013, City Council passed Resolution No. 20131017-036 designating the 600 to 900 blocks of Red River Street as a local Cultural District and later the district received designation as a State Cultural District by the Texas Commission on the Arts in 2020; and

WHEREAS, in 2015, Austin's Cultural Tourism Plan was completed, stating that the Red River Cultural District represents a generative cultural district model worth investing in to test and replicate, while also preserving integral stories of an Austin past at risk, as well as an action to support the formation of merchants associations that provide strong, vibrant and functional commercial business districts that can further promote and preserve the history and culture of an area of which Red River Cultural District Merchants Association exists; and

WHEREAS, in 2016, Council passed Resolution No. 20160303-019, resulting in Music and Creative Ecosystem Stabilization report recommendations that provided incentives, tools, and loans to stabilize and further foster the growth of the various sub sectors within the industries; and

WHEREAS, in 2016, the City partnered with merchants in the Red River Cultural District to support the organization and develop the Red River Merchants Association through the Economic Development Department's Souly Austin program, and has since invested approximately \$1.5 million in public infrastructure improvements, district identification projects, placemaking, and event support; and

WHEREAS, in December 2016, the City's Economic Development
Department commissioned the Urban Land Institute to complete a technical
assistance panel on Live Music Preservation in the Red River Cultural District that
provided recommendations toward preservation of the District that included
immediate and long-term goals, including incentives, regulatory and financial
support; and

WHEREAS, in 2018, the Red River Cultural District, along with the African American Heritage District and the 5th Street Mexican American Heritage Corridor, was allocated historic preservation funds for heritage wayfinding projects; and

WHEREAS, on September 14, 2023, the City Council adopted the Palm District Plan, Resolution No. 20230914-096, which included initiating amendments to the plan that the district will become a destination that celebrates its multi-cultural heritage by supporting and expanding the Red River Cultural District's live music and entertainment economy, including the preservation of performance venues in the Red River Cultural District through incentives, public-private partnerships, and regulatory tools such as transfer of development rights, historic and landmark designations, agent of change (sound compatibility), and the Iconic Venue Fund; and

WHEREAS, the Economic Development Department is currently working on an Economic and Cultural District Framework for funding new and existing cultural and business districts, and is expected to return to Council by July 2024 for approval; NOW, THEREFORE,

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

The City Manager is directed to return to Council with an Economic and Cultural District Framework on or before July 2024 with recommendations on sustainable and equitable funding mechanisms to best support new and existing cultural and heritage districts.

BE IT FURTHER RESOLVED:

The City Manager is directed to identify funding options in the current fiscal year that could be used for the Red River Merchants Association. The scope of work for this management service contract should include, but not be limited to:

- Developing Red River Cultural District's signature festival's Hot Summer Nights and Free Week (example: more venues and performers, expanded weekend dates);
- Documenting the story of live music in Austin by telling the rich, deeprooted history of the Red River Cultural District (example: walking tours, public murals);
- Conducting an economic impact analysis;
- Supporting daily business operations while expanding full-time staffing; and
- Year-round promoting and marketing of this worldwide cultural tourism destination and entertainment district located in the heart of the "Live Music Capital of the World."

The City Manager is directed to identify contracting and funding options to achieve elements of this scope of work, negotiate appropriate terms, and return to Council no later than May 2, 2024. This funding should be maintained until staff has proposed, and Council has approved, a framework for cultural districts Citywide.

BE IT FURTHER RESOLVED:

Upon approval of an Economic and Cultural District Framework, the City Manager is directed to include the adopted allocation of funding to cultural districts in the subsequent City budget.

BE IT FURTHER RESOLVED:

The City is committed to the expedited delivery of the defined incentives, tools, and regulatory and financial commitments to preserving and enhancing Austin's live music community. The City Manager is directed to provide an update on policy areas that have been the subject of previous Council direction, including:

- Chapter 380 Policy Revisions
- Location Enhancement Program
- Cultural District Overlay
- Economic and Cultural District Framework

BE IT FURTHER RESOLVED:

The City Manager is directed to work with the Red River Cultural District to identify additional opportunities to support the cultural district prior to the completion of the Economic and Cultural District Framework through existing mechanisms.

ADOPTED: February 29, 2024 ATTEST:

Myrna Rios City Clerk