



City of Austin

Recommendation for Action

File #: 24-6037, **Agenda Item #:** 8.

11/7/2024

Posting Language

Authorize negotiation and execution of a contract with the Red River Merchants Association to provide organizational stability, marketing and branding, heritage and cultural preservation, artistic and cultural productions, and economic development programming and activities in the Red River Cultural District for an initial one year term in an amount not to exceed \$150,000, with four one-year renewals, each in the amount of \$150,000, for a total contract amount not to exceed \$750,000.

Lead Department

Economic Development.

Fiscal Note

Funding in the amount of \$150,000 is available from the Fiscal Year 2024-2025 Red River Cultural District Special Revenue Fund through the collection of temporary use of right-of-way fees, alley vacation sales payments, and license agreement payments from development projects within the downtown area not already subject to the Rainey Street Historic District Special Revenue Fund. Funding for the remaining extension options is contingent upon available funding through future collections.

Prior Council Action:

Ordinance No. 20240530-169 - Council approved the ordinance creating the Red River Cultural District Special Revenue Fund and directing the City Manager to designate eligible use of funding in City Code Sections 12-6-2 (*Parking Benefit District*) and 12-7-2 (*Parking Transportation Management District*).

Resolution No. 20131017-036 - Council approved a resolution designating the 600 to 900 blocks of Red River Street as the Red River Cultural District.

For More Information:

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Additional Backup Information:

This proposed action authorizes funding of a service management contract with the Red River Cultural District Merchants Association (RRCDMA), a 501(c)(3) non-profit organization, for economic development programs and services. The recommendation for funding for this contract was originally initiated and approved by Ordinance No. 20240530-169.

The Red River Cultural District is a cultural tourism destination and entertainment district located in downtown Austin. Council approved a resolution creating the district in 2013, followed by the Texas Commission on the Arts designating the area in 2020 as a recognized cultural district. The RRCDMA was officially chartered in February 2016 through the Souly Austin program, with the purpose of engaging stakeholders and government officials to focus on improving the district's conditions to create a more pedestrian-friendly experience that attracts patrons. Souly Austin is a place-based economic development program from the City that is focused

on creating and retaining strong, vibrant, culturally rich, and diverse neighborhood business districts throughout Austin.

The Economic Development Department seeks to contract with the RRCDMA to expand the prosperity of the district to support:

- 1. Organizational Sustainability.** The management entity will ensure long-term viability through sound financial planning, diverse funding streams, and robust governance structures that support adaptive growth. This sustainability will enable the entity to serve the district effectively while maintaining operational stability.
- 2. Marketing/Branding.** The entity will promote the district's unique cultural identity through strategic marketing and branding efforts that elevate the district's profile locally, regionally, and nationally. These efforts will highlight the district's assets and attract visitors, artists, and investors.
- 3. Heritage/Cultural Preservation .** The management entity will protect and celebrate the district's cultural heritage through initiatives that preserve historic landmarks, local traditions, and cultural practices. Efforts will ensure the district's rich history is sustained for future generations.
- 4. Artistic/Cultural Productions.** The entity will foster and promote artistic and cultural productions, providing platforms for local and emerging artists while expanding the district's cultural offerings. These productions will enhance the district's role as a hub of creative activity.
- 5. Economic Development.** The management entity will contribute to the district's economic growth by supporting local businesses, attracting new investments, and creating opportunities for cultural tourism. These efforts will strengthen the district's economic base while enhancing its cultural vibrancy.
- 6. Leveraging, Sponsorships, and Partners.** The entity will build and maintain strong partnerships with public, private, and nonprofit organizations to leverage resources and secure sponsorships that advance the district's strategic goals. Collaborative efforts will maximize impact and broaden the district's reach.