



[MUSIC COMMISSION] RECOMMENDATION 20250203-010

Agenda Item 10

Date: February 3, 2025

Subject: Recommendation for the Evolution of the Austin Live Music Fund (2025 and beyond) for Musicians, Independent Promoters and Music Venues

Motioned By: Nagavalli Medicharla

Seconded By: Pedro Carvalho

Recommendation

The 2025 Music Commission recommendations on the Austin Live Music fund build on the pilot rollouts of the Live Music Fund in 2023 and 2024, taking into consideration critical community / stakeholder feedback, to ensure the effective and equitable use of Hotel Occupancy Tax (HOT) funds to support musicians, independent promoters and music venues in the commercial music sector in 2025 and beyond.

Recommendation for the Evolution of the Austin Live Music Fund (2025 and beyond) for Musicians and Independent Promoters

Building on the pilot rollouts of the Austin Live Music Fund in 2023 and 2024, the Music Commission proposes the following recommendations to ensure the effective and equitable use of Hotel Occupancy Tax (HOT) funds to support musicians and independent promoters in the commercial music sector:

FOR MUSICIANS

1. Grant Categories
 - a. Divide the grant into two distinct applicant categories, each with tailored grant amounts (\$5000, \$20,000), to better serve emerging and established artists
 - b. \$5000 grants to span over 1 year and \$20,000 grants to span over a 2-year period.
2. Application Scoring Criteria
 - a. Eligibility:
 - i. At least 2 years of documentation showing the applicant has regularly performed as a professional musician—solo or as part of a band—in live performances to public audiences,
 - ii. Or 6 released recordings (singles),
 - iii. Or 6 promotionally released music videos
 - b. Applications should be scored with majority emphasis on musician career accomplishments (50%) and local economic impact (25%)
 - c. Include past and future marketing plans as scoring criteria (20%)
 - d. Incorporate a scoring element for accessibility features such as accessible websites and promotional material, availability of sign language interpreters at events etc. (5%)
3. Allowable Uses of Funds
 - a. Grant recipients can allocate funds toward a wide range of activities, including live performances, studio and video production, and other eligible expenses outlined under the HOT code.

FOR INDEPENDENT PROMOTERS

1. Grant Categories
 - Divide the grant into two distinct applicant categories, each with tailored grant amounts (\$5000, \$20,000), to better serve emerging and established promoters respectively.
 - \$5000 grants to span over 1 year and \$20,000 grants to span over a 2-year period.
2. Application Scoring Criteria
 - Eligibility:
 - No more than 3 staff,
 - And at least 2 years of documentation showing the applicant has curated and promoted live shows featuring musicians and bands,
 - And must not be contractually tied to one venue
 - Applications should be scored with majority emphasis on music promoter career accomplishments (50%) and local economic impact (25%)
 - Include past and future marketing plans as scoring criteria (20%)
 - Incorporate a scoring element for accessibility features such ADA compliant websites and promotional material, availability of sign language interpreters at events etc. (5%)
3. Allowable Uses of Funds
 - Grant recipients can allocate funds toward a wide range of activities, including operational & marketing costs, production and event expenses and other eligible expenses outlined under the HOT code.

Recommendation for the Evolution of the Austin Live Music Fund (2025 and beyond) for Music Venues

Building on the pilot rollout of the Austin Live Music Fund for music venues in 2024, the Music Commission proposes the following recommendations to ensure the effective and equitable use of Hotel Occupancy Tax (HOT) funds to support live music venues in the commercial music sector:

FOR VENUES:

1. Grant Categories
 - a. \$30,000 Grant Awards – Live Music Venues with operating budgets under \$100,000
 - b. \$60,000 Grant Awards – Live Music Venues with operating budgets over \$100,000
2. Application Scoring Criteria
 - a. Applicants must meet the following codified definition for a live music venue as the governing clause of the application:
 - i. DEFINITION: An establishment where live music programming is the principal function of the business and/or the business is a live music destination, and where the venue establishes the ability of an artist to receive payment for work by percentage of sales, guarantee, or other mutually beneficial formal agreement for every performance. A live music venue is a destination for live music consumers, and/or its music programming is the primary driver of its business as indicated by the presence of at least five (5) of the following:
 1. Defined performance and audience space
 2. Mixing desk, PA system, and lighting rig
 3. Backline
 4. At least two of the following:
 - a. Sound engineer
 - b. Booker
 - c. Promoter
 - d. Stage manager

- e. Security personnel
 - ii. Charges admission to some music performances through ticketing or front door entrance fees
 - iii. Markets acts through show listings in printed and electronic publications
 - iv. Hours of operation coincide with performances
 - v. Programs live music at least five nights a week
 - b. Applications should be scored with majority emphasis
 - i. Governing Definition
 - ii. Local economic impact (50%)
 - iii. Programming and Tourism (45%)
 - iv. Accessibility features (5%) (pending review by legal)
- 3. Allowable Uses for Funds
 - a. Grant recipients can allocate funds toward a wide range of activities, including operational & marketing Costs, production and event expenses, and other eligible expenses outlined under the HOT code.

MARKETING EFFORTS

The City of Austin should broaden their marketing efforts to effectively inform constituents about Live Music Fund opportunities and the assistance available for the application process.

Rationale:

The 2025 recommendations on the Austin Live Music fund build on the pilot rollouts of the Live Music Fund applications and outcomes in 2023 and 2024, taking into consideration important community / stakeholder feedback, to ensure the effective and equitable use of Hotel Occupancy Tax (HOT) funds to support musicians, independent promoters and music venues in the commercial music sector.

Key recommendations include

1. *Prioritize Grants for musicians and promoters based on Past Accomplishments*
2. *Emphasize Local Economic Impact for all*
3. *Update Marketing Plan Criteria to past and future marketing plans*
4. *Prioritize Programming and Tourism Impact for venues*
5. *Continue to encourage accessibility efforts within the music industry*
6. *Revise Grant Structure for Broader Access with the introduction of two funding tiers: \$5,000 grants (annual) and \$20,000 grants (biennial) for musicians and independent promoters*
This structure increases acceptance rates and provides applicants with tailored options based on their needs and career stage.
Continue maintaining current grant structure of \$30,000 and \$60,000 for Music Venues
7. *Maintain Broad Uses of Funds: The Commission remains a strong advocate for flexible grant use, covering expenses like live performances, studio and video production, operational & marketing costs, production and event expenses, and other industry-supporting activities that are allowable expenses under the HOT (Hotel Occupancy Tax) code and essential for sustaining musician careers and the local music ecosystem.*
Remove Restrictive Economic Indicators: We excluded criteria such as Qualified Census Tracts (QCT), access to health insurance, banking, and lending status – well intended criteria in the pilot rollouts, that may or may not have been seen as being beneficial by music stakeholders
Excluded penalties for previous grant recipients from either the Live Music Fund or Cultural Arts Fund
8. *With limited funds, the Commission recommends maintaining the current strict definition of a Live Music Venue to establish eligibility to apply. The entry criteria for musician and independent promoter application remains the same as last year and we do not attempt to categorize artists as emerging or established.*

9. *Broaden their marketing efforts to effectively inform constituents about Live Music Fund opportunities and the assistance available for the application process.*

Vote:

For: 7 - Tami Blevins, Pedro Carvalho, Nagavalli Medicharla, Anne-Charlotte Patterson, Ray Price, Oren Rosenthal, Celeste Quesada

Against: 1- Scott Strickland

Abstain:

Absent: 2- Nelson Aguilar, Lauryn Gould

Attest:

Shelbi Mitchell

Shelbi Mitchell, Music & Entertainment, Economic Development