ARTS COMMISSION RECOMMENDATION 20261019-12

Date: October 19, 2026

Subject: Recommendation to Art in Public Places Ordinance Amendments include 2% Allocation of Total Project Cost with No Deductions.

Motioned By: Commissioner Schmalbach Seconded By: Commissioner Hussaini

Recommendation
Recognizing the need to resolve the ongoing disagreement over the calculation method and establish a clear, consistent, auditable policy the Arts Commission recommends that City Council decline to support the proposed Ordinance amendments at this time.

We further recommend that the City:

1. **Preserve the AIPP Panel and Arts Commission preferred allocation of 2% of total capital project cost, with no deductions.** If Council does not adopt that recommendation, the Arts Commission offers 1.75% of total capital project cost, with no deductions, as a compromise.
2. **Adopt the proposed administrative improvements** to strengthen the AIPP program, including greater flexibility in fund use and artwork placement, alternative delivery methods, and expanded opportunities for public art in private development.
3. **Require a complete, publicly accessible reconciliation of historical allocations before taking action on the funding calculation.** This should include project-level figures and a side-by-side comparison of the 2002 ordinance method, the City's actual calculation practices, and the proposed calculation. Any remaining gaps or limitations in the historical data should be explicitly identified.
4. **Hold a dedicated public hearing on the funding calculation**, with the supporting reconciliation and comparative calculations made available in advance, so the arts community and public can meaningfully participate in the decision.
5. **Require annual public reporting of the AIPP allocation for each eligible capital project**, including total capital project cost, the calculation base, any deductions, and the resulting allocation. This will provide consistent oversight and prevent future uncertainty about how the ordinance is being implemented.
6. **Confirm that the AIPP allocation is established during project budgeting**, allowing public art to be integrated early in project planning and design rather than treated as an afterthought.

Rationale
The Arts Commission voted unanimously to follow the Art in Public Places (AIPP) Panel recommendation to request Council preserve its preferred allocation of 2% of total capital project cost, with no deductions, and adopt the administrative improvements proposed in the ordinance update.

Recognizing the need to resolve the ongoing disagreement over the calculation method and establish a clear, consistent, auditable policy, the AIPP Panel and Arts Commission are also presenting a compromise: **an allocation of 1.75% of total capital project cost, with no deductions.** This compromise accepts a reduction in the percentage in exchange for a transparent formula applied consistently across City capital projects. It does not represent the AIPP Panel and Arts Commission's preferred outcome, nor does it diminish the need to reconcile historical discrepancies in AIPP allocations.
The AIPP Panel and Arts Commission has unanimously voted on three occasions not to accept the proposed ordinance amendments. Our disagreement has been narrow and specific: the proposed changes to the allocation calculation and the addition of eligible cost deductions, in the context of unresolved discrepancies and incomplete historical accounting.

The information provided by City staff indicates a meaningful gap between the intent of the current ordinance and the allocations recorded in practice. Without a complete reconciliation, the AIPP Panel cannot confidently determine the full extent of that gap or establish that the proposed calculation will correct it. The AIPP Panel and Arts Commission are concerned that the proposed amendments could formalize a calculation that further reduces the effective investment in public art without first resolving these discrepancies.

The AIPP Panel and Arts Commission recommends one clear formula: calculate the AIPP allocation as a fixed percentage of the total capital project cost, without deducting categories of expense before applying that percentage. This approach provides a consistent, auditable standard for every department and every eligible capital project.

The AIPP Panel and Arts Commission's compromise of 1.75% is not offered lightly. It represents a meaningful concession intended to resolve the disagreement over the calculation base while preserving a substantial and predictable investment in public art. We ask Council to consider this compromise rather than adopt a construction-cost calculation that risks further reducing the program's allocation.
The City's own benchmarking supports a simplified calculation. According to the City's survey of peer cities, more than 70% calculate their public art allocation on total project cost without first carving out categories of expense. A consistent, no-deduction formula would align Austin with this prevailing approach while making the City's calculation transparent and verifiable.

The AIPP Panel and Arts Commission supports moving forward with the administrative improvements in the proposed ordinance, including greater flexibility in the use of funds, artwork placement, alternative project delivery methods, and opportunities for public art in private development. These improvements need not be held back by the unresolved disagreement over the funding calculation.

Austin's public art program exists because artists, residents, and community advocates fought for a lasting public commitment to the arts. The 1985 ordinance and the 2002 increase to a two-percent allocation reflect that history. The AIPP Panel and Arts Commission believes that modernizing the ordinance should strengthen this commitment, not reduce the program's effective funding through an unclear or inconsistent calculation.

The AIPP Panel and Arts Commission appreciates the work undertaken by AIPP staff and supports the administrative improvements needed to strengthen the program. We ask Council to resolve the funding calculation transparently, preserve a meaningful investment in public art, and establish a process that can be consistently implemented and publicly verified for years to come.

Vote: 6-0

For: Gina Houston, Muna Hussaini, Heidi Schmalbach, Bailey Pownall, Sharron B Anderson, Nagavalli Medicharla

Against: None

Abstain: None

Absent: Keyheira Keys, Monica Maldonado, Kirtana Banskota, Faiza Kracheni

Attest: Jesus Varela

