

Special Report

Red River Cultural District: Live Music Preservation



Technical Assistance Panel | November 30-December 1, 2016

ABOUT THE URBAN LAND INSTITUTE



The mission of the Urban Land Institute (ULI) is to provide leadership in the responsible use of land and in creating and sustaining thriving communities worldwide. ULI is committed to:

- Bringing together leaders from across the fields of real estate and land use policy to exchange best practices
- Fostering collaboration within and beyond ULI's membership through mentoring, dialogue and problem solving;
- Exploring issues of urbanization, conservation, regeneration, land use, capital formation, and sustainable development;
- Advancing land use policies and design practices that respect the uniqueness of both built and natural environments;
- Sharing knowledge through education, applied research, publishing and electronic media; and
- Sustaining a diverse global network of local practice and advisory efforts that address current and future challenges.

Established in 1936, the Institute today has more than 35,000 members from 90 countries, representing the entire spectrum of the land use and development disciplines. Professionals represented include developers, builders, property owners, investors, architects, public official, planners, real estate brokers, appraisers, attorneys, engineers, financiers, academics, students and librarians. ULI relies heavily on the experience of its members. It is through member involvement and information resources that ULI has been able to set standards of excellence in development practice. The Institute has long been recognized as one of the world's most respected and widely quoted sources of objective information on urban planning, growth, and development.

AUSTIN DISTRICT COUNCIL

The Austin District Council of the Urban Land Institute is organized to carry forward the mission of the national organization with a greater understanding of the unique regional issues and relationships fostered by it's over 740+ members in the Austin area.

2016-2017 Management Committee Members

Edjuan Bailey

ULI Austin District Council Chair
Brookfield Residential

Rachel Allen

University Of Texas, REFIC

Alecia Burdick

Savills Studley

Greg Clay

JMI Realty

Stephen Coulston

Perkins + Will

Rob Golding

Rodeo Austin

Seth Mearig

Brown & Gay Engineers

Chip Mills

RVi Planning + Associates

Shannon Nichols

Heritage Title of Austin

Vaike O'Grady

Metrostudy

Clinton Sayers

Sayers and Associates

Carey Venditti

Greenberg Traurig

Jennifer Wenzel

Teachers Retirement System

ULI Austin Staff

David Steinwedell

Executive Director

Ariel Romell

Manager, Mission Impact & Sponsorship

Cheryl McOsker

Manager, Events & Membership

For more information, contact**ULI Austin**

512.853-9803

Austin@uli.org

austin.uli.org

TABLE OF CONTENTS

PANEL REPORT

ABOUT THE URBAN LAND INSTITUTE & AUSTIN DISTRICT COUNCILInside Cover

ABOUT ULI ADVISORY SERVICES 2

PANEL PREAMBLE 3

INTRODUCTION..... 4

EXECUTIVE SUMMARY 5

 IMMEDIATE ACTION PLAN

ULI PANEL ASSIGNMENT..... 6

METHODOLOGY 7

PANELISTS 8

ACKNOWLEDGMENTS & OTHER PARTICIPANTS..... 8

ANALYSIS OF CHALLENGES 9

 SAFETY

 PLACE MAKING

 COST OF SURVIVAL

 LOCAL AND LITTLE IN THE HEART OF TEXAS

 ADDITIONAL REPORTS AND EFFORTS

OPTIONS AND OPPORTUNITIES 12

CONCLUSIONS..... 15

RECOMMENDATIONS 16

 IMMEDIATE RECOMMENDATIONS

 NEAR-TERM RECOMMENDATIONS

 LONG-TERM RECOMMENDATIONS

ADDENDUM

ADDENDUM A: MUSIC VENUES IN DISTRICT 19

ADDENDUM B: POST PANEL DEVELOPMENTS 20

ADDENDUM B: BEST PRACTICES 21

ADDENDUM C: DIVERSITY OF MUSIC IN DISTRICT 22

ADDENDUM E: GLOBAL INITIATIVES TO PRESERVE LIVE MUSIC 23

ADDENDUM F: BIOGRAPHIES OF PANELISTS Back Cover

ABOUT ULI ADVISORY SERVICES

The goal of ULI's Advisory Services Program is to bring the finest expertise in the real estate field to bear on complex land use planning and development projects, programs and policies. Since 1947, this program has assembled well over 740 ULI-member teams to help sponsoring organizations find creative, practical solutions for issues such as downtown redevelopment, land management strategies, evaluation of development potential, growth management, community revitalization, brownfields redevelopment, military base reuse, provision of low-cost and affordable housing, and asset management strategies, among other matters. A wide variety of public, private, and nonprofit organizations have contracted for ULI's Advisory Services.

ULI offers two services under this program, an Advisory Service Panel (ASP) and a Technical Assistance Panel (TAP). Each panel team is composed of highly qualified professionals who volunteer their time to ULI. They are chosen for their knowledge of the panel topic and screened to ensure their objectivity. ULI's interdisciplinary panel teams provide a holistic look at development problems. A respected ULI member who has previous panel experience chairs each panel. Both a TAP and ASP have similar components. However, an ASP is a more in depth an intense approach requiring additional hours, research and funding than a TAP.

This two day TAP assignment was held on November 30 and December 1, 2016 with an intensive agenda. During the first session, the sponsoring and co-sponsoring organization provided an overview of the assignment and a guided tour of some of surplus real estate properties. The first day concluded with a discussion by industry experts. Some of these experts were already in discussions with the sponsoring organization about their perceived challenges and opportunities. The second day's session included a half-day of interviews with key stakeholders, a half-day research/work session, and a presentation of findings at the conclusion. This written report was prepared and published after the completion of the work.



Figure: Photo Courtesy of Brian Parker Photography

A major strength of the program is ULI's unique ability to draw on the knowledge and expertise of its members, including land developers and owners, public officials, academicians, representatives of financial institutions, and others. In fulfillment of the mission of the Urban Land Institute, this Technical Assistance Panel report is intended to provide objective advice that will promote the responsible use of land to enhance the environment.

INTRODUCTION

“The vibe, the music, the people – there’s no place like Austin, Texas.” ~ Gary Clark, Jr.

It’s only natural that Austin native and rising blues artist Gary Clark Jr. would praise the hometown scene that shaped him. But the Hilton Hotel chain’s posting of Clark’s mellow boast on its Facebook page speaks volumes about the importance of music to Austin’s economy and identity. “I wish that everywhere had this type of a feeling,” the guitarist added, “and this type of an energy.”

Recognizing that energy and its role in establishing the city’s quality of life, the Austin City Council adopted the official slogan, “Live Music Capital of the World,” in 1991. As the city’s reputation spread—buoyed by annual events like South by Southwest and the Austin City Limits Festival—its success began to have unintended consequences. One ULI Advisory Board member described the local music and arts scene as the “golden goose” responsible for much of Austin’s phenomenal growth. And while one dictionary defines a golden goose as “something that gives you an advantage, especially a financial advantage,” another cautions that it represents “a continuing source of wealth that may be exhausted if it is misused.”



An unintended side effect of Austin’s boom has been the departure of many musicians and other members of the creative class due to increased rents and other cost-of-living factors. Likewise, skyrocketing property valuations and taxes have forced many music venues to close their doors or placed them in constant peril of financial ruin. Nowhere in the city is this more apparent than in downtown Austin, where developable space is hard to find and soaring in value.

The Red River Cultural District exemplifies the issues. Designated by the Austin City Council in 2013, the District is a contiguous entertainment zone running along and near the Red River Cultural District from 6th Street to 12th Street. The district serves as a music incubator, with smaller clubs where emerging musicians can hone their licks, and it also provides larger stages where more seasoned artists can play for larger crowds. Despite a growing national profile—two of the District venues, Stubb’s and the Mohawk, appear on the Consequence of Sound website’s list of 100 Greatest American Music venues—many of the dozen-plus venues in the District are vulnerable to being replaced or severely impacted by new commercial development and/or unpredictable, unaffordable rents.

PANEL PREAMBLE

As with any city undergoing tremendous growth pains, Austin will continue to find itself confronting efforts to “save” our cultural heritage, its landmarks and its “special places”. Since every city is an evolutionary fabric with many transitory factors, we must ask ourselves what we are trying to save when we are faced with these efforts. Is it a place, a business, a restaurant, a building, a vibe, a venue? What is it exactly that we are trying to save and for what duration does that “saving” make sense?

In the instance of the Red River District, we must ask: Are we trying to save the street scene, the venue(s), the businesses, the music or the musicians themselves? It is important to consider each of these objectives especially in light of how long the “saving” is needed.

What makes the Red River District special? One could argue that its appeal is rooted in the fact that it is the last collection of live music venues (indoor and outdoor) that seeks to showcase local musicians and bands, in a central location, within our CBD. Since we are the “Live Music Capital of the World”, having live music performed by local musicians is of comparative importance to our City, its fabric, its culture and its reputation to the outside world.

To understand the transitory nature of the issue, one must look at the music industry itself. In the age of digitalization, musicians have become a marginalized product given that recording revenues are losing their importance compared to performance revenues. As the music business has evolved, supporting local acts has become a less profitable endeavor for bars and performance venues that cater to those performers. It should be noted that venues that cater to regional and/or national touring acts are doing quite well as more emphasis has been put on touring to insure a performers economic welfare. Unfortunately, in many cases, local acts are not an adequate draw and many of the establishments along Red River can only hope to break even on nights where local musicians are accomadated. When you layer the availability of the medium through a wide variety of channels on top of the dimunition of revenues, local musicians and the venues that showcase this talent face a daunting challenge.

So, the effort to “save” opportunities for local performance acts comes with a cost. Proprietors along Red River that cater predominantly to local performers are struggling with the economic model that is needed to house those performances on a regular basis. If that effort is of enough importance to the City, then there is a cost that will have to be recognized. There are many tools the city can use, and more importantly tools of different durations that can be targeted to help address the challenge.

For instance, whether it be by overlay, district, ordinance or resolution, the city, for a period of X years, could abate taxes for those venues choosing to feature local musicians x nights per week. In that vein, a variety of other tools could be used to help the proprietor derive some economic benefit from hosting the local music industry that is such an integral part of our cities persona. This could range from expanded hours to reduced licensing fees to other efforts targeting expanded revenues for these businesses. These tools would be voluntary in nature and, in the aggregate, would need to tip the economic scale in favor of preserving the aim of the collective goal vs. other alternate land use options. To be more specific, we must make the preservation effort a better choice economically vs. alternative uses for the property.

In the end, a menu of options, targeted at the specific issue and for durations that need not be perpetual seems to provide the best framework for these types of preservation efforts.

John McKinnerney
Technical Assistance Panel Chair
Principal
Castle Hill Partners
Austin, TX



EXECUTIVE SUMMARY

The City of Austin is exploring ways to help venues stay in business, expand revenue, and encourage the creative class without sacrificing growth. The Redevelopment Division of the Economic Development Department for the City of Austin sought out recommendations from a ULI Technical Assistance Panel (TAP). At the direction of the Redevelopment Division, ULI Austin completed a two-day review of the Red River Cultural District. A tour of venues, extensive interviews with stakeholders, and reviews with City staff and consultants were completed. To support the panel's analysis and recommendations, portions of the multiple plans and reports considered during the TAP are restated in this document. The Panel established the following objectives:

- Review the challenges and issues facing the Red River Cultural District in particular, and creative spaces in the Central Business District generally, and explore feasible solutions specific to Austin that encourage the cooperative and mutually beneficial existence of music and other cultural venues within a rapidly evolving downtown, filled with new, luxury residential and commercial properties.
- Examine opportunities to help property owners and venues realize the full monetary benefits of the spaces, both indoor and out, day and night. Any new development preferably would enhance or preserve the music and entertainment industry.
- Provide specific solutions to preserve music venues as part of Austin's live music scene. These solutions should encourage cooperative and mutually beneficial coexistence of music venues, residential and commercial properties.

Immediate Action Plan

1. Extend weekend hours for outdoor live music through a pilot program. (** Already completed as a Pilot Program.)
2. Take immediate action to reduce crime and improve safety for patrons and employees along the Red River corridor.
3. Address both criminal transient and homelessness challenges making the Red River Cultural District unpleasant for visitors due to associated criminal activities such as drug use and prostitution.
4. Define "music venue" and establish best practices for music venue operators financial viability and long-term success.
5. Utilize Agent of Change principle to ensure new developments/residents are aware and accepting of the sound issues associated with existing venues in the area.
6. Music venue operators need to become more active in solving District issues through relevant organizations and using self-generated solutions as well as other resources.
7. Continue improvements that streamline the City permitting and licensing process applicable to all Departments
8. Partner with Waller Creek Conservancy to create an overall Red River Cultural District experience.
9. Refine Cultural District designation and make the Red River Cultural District eligible for more options of city and state funded programs.
10. Explore public and public-private strategies for venue preservation.
11. Improve the appearance of the Red River streetscape, making the area more attractive to local and out of town patrons. Introduce more daytime activities.

The following report provides greater detail for these findings and a more comprehensive listing of all recommendations (pages 16-18).



Figure: See larger map with venues in Addendum A.

ULI PANEL ASSIGNMENT

The City of Austin Economic Development Department paid for ULI Austin to complete this Technical Assistance Panel (TAP), in partnership with the Red River Merchants Association and Austin Music People. Both the City of Austin and the Red River Merchants Association/Austin Music People were the Sponsor and the Co-Sponsor (Sponsors), respectively for this TAP.

Austin is experiencing a loss of the cultural core that makes the City unique – Live Music. Venues, artists and music related businesses are finding the escalating costs of Austin’s record growth during the past decade has made keeping venues open and musicians employed unsustainable.

Most music and entertainment industry workers face financial strains due to Austin’s rising cost of living, especially in housing and transportation, while their incomes are falling or flat due to the economic pressures on venues. Venues face record-high rents, non-renewal of leases, and lease terms that negatively impact the viability of their businesses. Landlords face the choice of losing money or replacing long-time tenants with “highest and best” uses that foreclose opportunities to include artistic, entertainment tenants and support music.

Red River Cultural District is Austin’s live music “business incubator:” the largest concentration of live music venues within a six-block district on the eastern edge of Downtown. The diversity of the District’s venue spaces and musical genres provides a continuum where emerging artists can begin their careers in smaller venues and, as their careers progress, build a following that allows them to perform on the large outdoor stage at Stubb’s or the Mohawk. The District welcomes uses that are compatible and enhance the music industry and cultural space, such as the Trinity Street Players at First Baptist Church, German Texan Heritage Society, a comedy club, restaurants, and music industry-related offices.

Challenges to this District, so essential to Austin’s music ecosystem, are also diverse. The area is on the front line of Austin’s redevelopment pressures, spurred by the much-needed redevelopment of Waller Creek and Central Health’s Brackenridge Campus as well as the planned Innovation District between the medical and Red River Districts. While Imagine Austin calls for preserving Austin’s music culture, its implementation thru CodeNEXT must fairly balance competing interests. In response to this economic siege, the District’s venue owners and merchants recently formed, through the City’s Soul-y Austin program, the Red River Merchants Association to better advocate for the preservation and stabilization of this essential cultural district.

Live music venues have and are emerging outside of downtown, such as Strange Brew (now closed), Sahara Lounge, White Horse, and ABGB, yet these are not Districts. They lack the scale and synergy that is an essential part of the City’s economic development strategy to support music as a targeted industry cluster. The policies, partnerships, and lessons learned from Red River Cultural District can help nurture and grow these venues into music “hubs” and the music economy in general.



Austin
— LIVE MUSIC CAPITAL OF THE WORLD® —

The Panel operated under the following assumptions:

- The Red River district from 6th Street to 12th Street is the last urban contiguous music district in Austin, and one of the few left in the United States. Patrons can attend multiple venues with varied music styles in one evening and have a live music experience unlike any other city.
- Venues and creative spaces in the Red River District and several other areas in Austin are vulnerable to being replaced or severely impacted by new commercial development and/or unpredictable, unaffordable rents. These factors will change the character of the District from music and arts destination to high-rise residential and other common commercial uses in a central business district.
- These issues are happening in many other cities. Much work has been done on the subject both locally and globally. If the Panel can find the right balance of interests, Austin may set the standard for other cities struggling to preserve their music and cultural arts heritage.
- City officials and community stakeholders have stated an ongoing interest in acting on these issues of preservation and stabilization.

The Sponsors established the following objectives for this TAP:

- The Panel will review the challenges and issues facing the Red River Cultural District in particular, and creative spaces in the Central Business District generally, and will explore feasible solutions specific to Austin that encourage the cooperative and mutually beneficial existence of music and other cultural venues within a rapidly evolving downtown, filled with new, luxury residential and commercial properties.
- The Panel will also examine opportunities to help property owners and venues realize the full monetary benefits of the spaces, both indoor and out, day and night. Any new development preferably would enhance or preserve the music and entertainment industry.
- Based on the above, the Panel will provide solutions to key policy makers and stakeholders on how the public and private sectors can preserve an essential part of Austin's live music scene. It will provide solutions that foster the growth of the live music ecosystem as an anchor of broad-based urban stabilization and as a targeted industry of Austin's economic development strategy. These solutions should encourage cooperative and mutually beneficial coexistence of music venues, residential and commercial properties. The panel's assessment should be comprehensive, and include:
 1. Solutions feasible in Texas that address legal and financial considerations, risks and incentives of both the tenant and landlord;
 2. Solutions feasible in Texas that address regulatory reform, including fees, zoning and building codes and their processes;
 3. Best practices from other communities that have created and/or maintained music entertainment districts;
 4. District management and property lease/ownership structures and public-private partnerships that ensure preservation and sustainability.

METHODOLOGY

The Panel conducted various methods to study the issues, including, but not limited to the following:

- Review the Imagine Austin Comprehensive Plan, the Austin Music Census, the Music and Creative Ecosystems Stabilization Recommendations Report, the Red River Cultural District strategy, the Soul-y Austin Business District Incubator report, the Music Score Card for Austin, and similar music venue/entertainment district studies from Australia, San Francisco, Memphis, Brooklyn, New Orleans, and Canada. [\[See Addendum E.\]](#)
- Conduct interviews regarding the preservation of Red River Cultural District music venues with a diverse group of stakeholders, including venue owners and operators, musicians, City of Austin Economic Development and Music Office staff, Texas Music Office staff, hotel personnel, Preservation Austin, musicians, downtown residents, landowners, Advisory Board to ULI Austin and others.
- Tour the district including visiting several venues of varying sizes and speaking to owners of the venues, including Cheer Up Charlies, the Mohawk, Stubbs BBQ and Empire Control Room and Garage. In addition, other area establishments (such as the University of Texas Medical District, Symphony Square, the ARCH, various Hotels, the Downtown Austin Alliance and more) were invited to share their perspectives with the panel. Not all area establishments chose to participate in this process.

PANELISTS

The Urban Land Institute Technical Assistance Panel brought together five industry experts to explore and address issues related to preservation of music venues along the Red River corridor:

Panel

John McKinnerney (Panel Chair)

Principal
Castle Hill Partners
Austin, TX

Greg Clay

Partner
JMI Realty
Austin, TX

Cody Cowan

General Manager
The Mohawk
Austin, TX

Dan Wheelus, Esq.

Principal
Daniel Wheelus, Attorney At Law
Austin, TX

Perry Lorenz

Principal
Local Property Owner
Austin, TX

Additional information on these Panelists may be found on the back inside cover of this Report.

ACKNOWLEDGEMENTS & OTHER PARTICIPANTS

ULI Austin would like to thank the leadership of the Sponsors for inviting the Urban Land Institute to provide independent, objective expert advice on the issue at hand.

Thank you to the many individuals who took time out of their schedule to share information related to this important issue. Specifically, John Wardle from Live Music Australia and Jocelyn Kane with the City of San Francisco Entertainment Commission.

We would also like to thank all stakeholders who participated in the background interview sessions for providing their insight to augment the multiple decades of on-the-ground experience. Additional community leaders were invited, but declined the invitation to participate. Contact ULI Austin for a list of all invited. Thank you to the following stakeholders participated in this Technical Assistance Panel:

- Molly Alexander, Downtown Austin Alliance
- Brendon Anthony, Texas Music
- Edjuan Bailey, Brookfield Residential
- Melissa Barry, Downtown Austin Alliance
- Stephen Coulston, Perkins + Will
- Sunni Dupree, Hotel Indigo/Journeyman Group
- Rebecca Farrell, Music Venue Trust (UK & Austin)
- Robert Gandy, Cielo Property Group
- Ryan Garrett, Stubbs
- Elizabeth Good, Cypress Real Estate Advisors
- Jennifer Houlihan, Evolve Austin
- Tamara Hoover, Cheer Up Charlies
- Jocelyn Kane, City of San Francisco
- Nicole Klepadlo, City of Austin
- Maggie Lea, Cheer Up Charlies
- Todd LaRue, RCLCO
- Cheryl McOsker, ULI Austin
- Christine Maguire, City of Austin
- Seth Mearig, BGE
- Bill Meyer, Newland Communities
- Chip Mills, RVI Planning + Landscape Architecture
- John Moyer, Musician for the band Disturbed
- Shannon Nichols, Heritage Title Company of Austin
- Don Pitts, Formerly City of Austin
- Jason Qunell, University Federal Credit Union
- Eldon Rude, 360° Real Estate Analytics
- Clinton Sayers, Real Estate Advisors
- Kate Singleton, Preservation Austin
- Brad Spies, SXSW
- Stephen Sternschein, Empire Control Room & Garage
- Jack Tisdale, STG Design
- Amy Wanamaker, University of Texas
- John Wardle, Live Music Sydney
- Greg Weaver, Catellus Development
- Syd Xinos, Doucet & Associates

The contribution of writer Gene Fowler was vital to the production of this report.

The findings and recommendations provided in this report are based on the collective expertise of the panel, along with the provided briefing materials, and information gleaned from the tour, stakeholder interviews and discussions conducted during the panel's two-day effort.

ANALYSIS OF CHALLENGES

The 2012 Imagine Austin Comprehensive Plan notes that in 2010, the arts (including music, film, visual arts, nonprofit performance, and arts-related tourism) generated some 48,000 jobs, \$71 million-plus in tax revenue, and more than \$4.35 billion in economic activity. A prime livability factor for any city, the arts play a major role in Central Texas' ongoing growth. According to Austin Demographer Ryan Robinson, Austin's growth is approximately 157 "net arrivals per day."

A 2016 Austin Music People (AMP) study reveals that the music industry's share of that economic impact rose from \$1.6 billion to \$1.8 billion from 2010 to 2014. More recent figures peg the music industry's impact at \$2.4 billion. AMP attributes that growth to festival expansion, including the addition of a second weekend to the Austin City Limits Festival and the opening of the Austin 360 Amphitheater at Circuit of the Americas. The same study, however, indicates that year-round economic activity by local artists, venues, and businesses suffered a 15% loss in the same four-year period, representing a decrease from \$856 million to \$726 million and a loss of 1,200 local music industry jobs. A number of beloved music venues have also been lost. As Austin Mayor Steve Adler implores, "We cannot lose these music venues without losing something that is vital to our identity and to our soul."



Figure: Rendering of Red River Historical District

SAFETY

Red River Cultural District venue operators interviewed by ULI panelists confirmed that safety and security of patrons and employees are the immediate and greatest obstacles to their economic stabilization and health. A large, and ever growing, homeless population in the district attracts a criminal element, which preys on both the homeless and on district patrons and employees. And despite the fact that the main Austin Police Department station is one block from the district, a significant trade in dangerous street drugs such as K2 has compounded the area's unsavory reputation. Austin's Ending Community Homelessness Coalition reports that the homeless population increased by 20% from 2015 to 2016. The Austin Resource Center for the Homeless (ARCH) provides daily services for an average of 423 individuals in its Day Resource Center, and an average of 230 men sleep at the facility each night, which means there is a shortage of beds and people are sleeping outside on the nearby streets each night.

At least one venue operator cited prostitution as a significant problem, and most all noted that patients released from the psychiatric ward at Brackenridge Hospital who pass through the district on their way to the ARCH have inhibited some patrons from making a return visit to the district.

Without a safe and secure environment, there is no ability for the cultural district to prosper. This issue also is a clear and present threat to the success of the Waller Creek Redevelopment project.

PLACE MAKING

Interviewees stressed that beautification and other improvements of the Red River streetscape would improve their business and visitors' experience of the district. Parking availability remains a problem throughout downtown and, based on information provided to panelists, is especially difficult in the Red River Cultural District. A masterplan in conjunction with Waller

Creek Conservancy seems appropriate. The two projects are perpetually linked and will have direct and substantial impact on each other. The Conservancy plan features a series of urban trails and parks that improves and sustains Waller Creek. The plan includes entry and exit points along Red River, and it only makes sense for Waller Creek designers (and funding) to have a role in the Red River improvements. [The Panel reviewed related activity to support streetscape beautification supporting live music venues in Memphis, New York, Louisiana and Canada related which can be seen in more detail in Addendum E.]

Placemaking is not only what you see, but also what you hear. Part of the decision process for the district and its potential interaction with surrounding businesses and Waller Creek will involve sound ordinances. Red River is known for its live music, and it has existed for decades. New projects should have to plan around this existing condition by applying the Agent of Change principle. Some venue operators noted that outdoor sound restrictions are applied unevenly downtown, with some areas allowed to offer amplified outdoor music until 2 a.m. on weekends and some restricted to midnight. An extra two hours of live music on two or three nights a week would increase their revenues by 20 to 25%. An extension of existing live music hours should be considered for a Cultural District when live music is not only vital to the district's economic health but also its identity. [The Panel reviewed related activity to placemaking regarding the Agent of Change principle in Australia, London and San Francisco can be seen in more detail in Addendum E.]

COST OF SURVIVAL

Several venue operators indicated that currently high rents which inevitably continue to rise even higher contribute greatly to the difficulty of keeping their doors open and keeping the music playing. Several stated that Austin venues only have a small window in which to find solutions before property values “really go crazy.” Uncertainties about whether a property owner will renew a venue's lease or sell to a developer often make it difficult for venue operators to know if they should invest in improvements that will increase their business. And the common refrain among property owners, understandably, is that they applaud efforts to find lower-reward alternatives that will keep venues in business so long as the alternatives are realized on someone else's property. [The Panel reviewed related activity to support rising venue rents in San Francisco can be seen in more detail in Addendum E.]

Venues especially need to find ways to reduce costs in the spring because landlords often add a surcharge in March, sometimes even doubling the rent for that month due to the venue's increased income from SXSW. One club manager said that the annual festival is responsible for 30 to 50% of the club's annual revenue, noting the potential disastrous shortfall if some unforeseen impact caused decreased attendance. Current policy that helps enhance bar sales during SXSW, like the current sound extensions until 2:00 a.m. during SXSW Interactive & Music, should be protected, while additional policy, permitting or compliance additions for the Spring Festival should undergo stakeholder review and analysis of any negative impact.



Figure: Construction cranes hovering above Red River

The Austin Music Census, produced in 2015 for the City of Austin Economic Development Departments Music & Entertainment Division, reported that 187 owners and managers of venues with live music responded to their survey. Of those, nearly a third stated that they provide more than 20 fulltime jobs. And live music venues, it was learned, provide a higher percentage of income to Austin's musicians than any other single category of revenue.

More than 80% of the 3,968 Census respondents agreed that stagnating pay for musicians has an “extreme or strong impact” on musicians' ability to earn a viable income and remain in Austin. Of the 1,882 musicians completing the survey, nearly one third cited an annual gross income of \$15,000 or less, and approximately three quarters of the musicians earn less than the Austin Mean Annual

Wage. [The Panel reviewed related activity to support rising housing rents for artists in New York can be seen in more detail in Addendum E.]

The Census found that affordability and cost of living issues are having dire effects on Austin's music industry and especially on its musicians. Downtown development of relatively expensive condos and apartments, the Census reported, are pushing low and middle-income artists and industry workers further out of the central City core. Affordability issues are causing some musicians to move out of Austin altogether. One recent news report noted the burgeoning live music scene in Lockhart, populated by former Austin musicians who could no longer afford the city's cost of living.

Another problem noted by the Census is the increasing "siloining" or fragmentation of the Austin music industry and community. The Census revealed that most of its participants were not aware of the networks and resources that exist within the local music world. This produces a working environment that does not raise the bar for professionalism and can limit both musicians and the local industry to perpetual amateurism.

Additionally, the Census found that the changing trends in Austin music consumer behavior include reluctance or unwillingness to pay a typical \$5 to \$10 cover charge. Thus, cover charges have remained stagnant, declined compared to a decade ago, or disappeared entirely. As a result, some venues report an annual revenue loss as high as 30%, and local bands especially have seen their performance income diminished.

Other operating pressures that have created critical vulnerabilities for live music venues identified in the Census include expensive leases, high operating costs, short-term lease contracts, productivity losses from perceived regulatory inefficiencies, and declining admission charges. TAP interviewees echoed Census respondents in expressing the view that the City's permitting system is inefficient, cumbersome, and confusing. And because there is no single department or point of contact at the City designated to handle venue questions, applicants can receive conflicting information from different departments and personnel.

Some 62% of venue operators confirmed that inconsistent information and enforcement from APD regarding sound ordinances has an extreme, strong, or moderate impact on their business. A majority of venue operators, however, expressed the understanding that many of these problems are unintentional and likely due to an institutional inability to keep pace with Austin's rapid growth.



Figure: Front of Stubbs BBQ & Live Music.

LOCAL AND LITTLE IN THE HEART OF TEXAS

The ULI panel chair stressed the importance of preserving smaller venues that more often serve as incubator stages for local musicians finding their audience and voice. While it's true that most Austin venues feature local artists in 80% of their shows, there remains an acute need to assist smaller venues because their business model simply doesn't work as well as it used to in today's economy. The panel chair likens the issue to the need for civic assistance with affordable housing. [The Panel reviewed related activity to preserve building for music venues in Australia, Memphis and Canada can be seen in more detail in Addendum E.]

ADDITIONAL REPORTS AND EFFORTS

A 2016 report, the Music and Creative Ecosystem Stabilization Recommendations, also known as the Omnibus, <https://tinyurl.com/jh8c2mv> was generated by City staff in response to growing challenges experienced by musicians, the creative class, and their associated industries. Aligning with much of the Austin Music Census findings, the report identified four key areas that require attention:

- Affordable space
- City regulations, operations, and incentives
- Professional and industry development
- Health and educational services for creatives.

After input from stakeholders, 73 recommendations were developed and presented at the first-ever joint meetings of the City Arts and Music Commissions. From those recommendations, the report focused on 10 Priority Recommendations. These recommendations address affordable space; the Agent of Change principle; cultural tourism; entertainment licensing; genre development; incentives, tools, and loans; land use regulations; permitting and licensing; professional development; and revenue development.

Also compiled in 2012, the Imagine Austin Comprehensive Plan agreed that Austin's live music and arts scene is a cornerstone of the city's identity and that the creative sector is an important element of the city's economy and can be leveraged for additional economic growth. <https://tinyurl.com/jc8fbkq>

Imagine Austin identified eight key challenges for the preservation and growth of the city's music and creative arts industries. The challenges include affordable space, awareness and visibility of public art projects and cultural resources, funding for community arts programs, a commitment to arts programs in schools and communities, and strengthening Austin's multicultural identity through the arts. The Plan also stressed the importance of integrating arts and performance facilities and activities with downtown development in a manner that preserves Austin's identity. Regarding the most visible creative component of that identity, the Plan noted the importance of managing conflicts between live music venues and a growing population.

All of these existing reports provide context and data for understanding and acknowledging the problem. It will take a strong leader and support from the community to implement action and save these venues and the Red River Cultural District. Ideally, one or more members of the Austin City Council will join Mayor Adler as champions for these concerns and remedies. The Capital City's self-declared glory as the "Live Music Capital of the World" is in peril as Austin's growth threatens to diminish, if not obliterate, the organically authentic culture that makes it so appealing and unique.



OPTIONS AND OPPORTUNITIES

The City of Austin and Austinites involved in its live music scene have a lot of work to do. Though a number of interviewees indicated to the ULI Panel that Austin is currently in the "11th hour" regarding the ability to comprehensively maintain the health of its live music scene, there remains a well-founded sense of optimism. The fact that City staff and elected officials appreciate the impact of live music to Austin's economy and identity clears one major hurdle. Furthermore, all parties involved stand ready to roll up their sleeves and do whatever is reasonable to preserve this valued asset. Fulfilling one important precept of Music Canada's report, *The Mastering of a Music City*, the Austin Music Office is a part of the City's Economic Development Department.

Austin's phenomenal growth has both benefited the vibrant municipal sound garden on the Colorado and endangered some of its performance venues. More than 6,000 hotel rooms are within a quarter mile of the Red River Cultural District, with more coming opening in the near future. While the Austin Convention Center is also about one-quarter mile from Red River's venues, many of those guests are in town on music-related travel. Some 75% of guests staying at Hotel Indigo, on Red River in the heart of the Red River Cultural District, are music guests. Ever-increasing hotel revenue provides a potential source of windfall revenue in the form of increased Hotel Occupancy Taxes (HOT). These taxes will



Figure: Photo Courtesy of Brian Parker Photography

grow the amount of funds available to arts organizations in general, and it makes sense that some of these additional monies be devoted to ensuring that Austin musicians have places to play at all levels of experience and at all stages of their careers. Expanding nonprofit funding for music research, education, and performance in all genres through organizations like Texas Folklife provides additional quality-of-life appeal that helps drive economic development.

While the Red River Cultural District has been formally recognized by the City of Austin, a result of five years of hard work, the District has not yet been so designated by the Texas Commission on the Arts. In December, 2016 the TCA's new Arts Respond Cultural District Project awarded grants totaling \$1.5 million to 20 Cultural Districts from Galveston to San Elizario. The grants are offered to eligible arts organizations in designated Cultural Districts for projects that focus on significant cultural tourism efforts through such activities as marketing, infrastructure, and major events. Funded projects are expected to use the arts to diversify local economies, generate revenue, and attract visitors and investment. An additional \$3.5 million will be allocated to Cultural Districts in 2017. TCA-designated Cultural Districts are special zones that harness the power of cultural resources to stimulate economic development and community revitalization. ULI Panelists heard repeatedly during the TAP from stakeholders that the Red River Cultural District is in dire need of revitalization.

At least some of that need will likely be met by the Medical District and the Innovation District. The proximity of these districts will surely lead to area improvements through direct action and osmosis. One interviewee observed that Salvation Army and ARCH officials, while unlikely to listen to musicians and venue operators, would surely heed the testimony of medical professionals and perhaps even high-tech savants about the neighborhood problems caused by the homeless and transient mental patients.

Additionally, improvements currently underway by the Waller Creek Conservancy will impact the district positively in a number of ways. At least two District venues, Stubbs and Empire, have been hampered in the ability to make needed



Figure: Stock photo, view of Waller Creek

improvements to their facilities because they have been in the Federal Emergency Management Agency flood plain. Once the City has completed its work (or a certain stage of it), the venues will no longer face that impediment. And a major drawback to the vitality of the district at present is the lack of daytime activity. Attractions along the revitalized creek, including simply the heritage-tourism appeal of a pleasant stroll along a landscaped historic waterway, will draw daytime visitors to the area. More daytime visitation will also enhance happy hour and early evening, pre-show events. One venue operator reported that an experiment of showing music videos between 6 and 9 pm hadn't worked, but with more people in the area it might. Others said they had tried dance competitions and art shows on weekend afternoons, but the events were not profitable because few people attended. More daytime visitors will not only contribute to the district's economy but will also help generate increased security.

Preservation advocates indicated to Panelists that the District could more effectively leverage the heritage properties on Red River Street. According to the Austin History Center, the vintage brick construction of Stubbs restaurant and smaller indoor venue dates to the 1850s, and the limestone foundation may be even older. In the 1960s the building was home to a music venue called the Watusi, and in the 1970s it played an important role in Austin music history as the One Knite, a rootsy dive that helped birth the decade's local blues revival. Stevie Ray Vaughan honed his style at the One Knite. The older section of the Mohawk was reportedly built in the 1870s and also features soulful vintage brick that is so difficult to replicate in newer construction. On the northern edge of the District, the Symphony Square compound includes the 1871 limestone Jeremiah Hamilton Building (named for one of nine black legislators in the 12th Texas Legislature), a 350-seat stone amphitheater, a vernacular stone cottage known as the Michael Doyle House, and the New Orleans Club Mercantile, where hippies once cavorted to the sounds of Shiva's Headband and other 1960s Austin bands. On 10th Street, just off Red River, the German Texan Heritage Society is housed in the 1857 German Free School building and welcomes visitors for several annual festivals and tours.

One panelist shared information about the unique private financial partnership that recently saved a popular music venue on a stretch of South Lamar that is undergoing tremendous commercial redevelopment. Sharing his vision to preserve the legacy venues of our own time, the entrepreneur assembled a group of investors who will receive a positive economic return on the

investment, just not a return as great as they would receive were they to demolish the seasoned venue and replace it with shiny new construction. Interviewees and panelists discussed another form of “socially responsible investment” announced by Mayor Steve Adler's office in September, 2016. Austin submitted one of five winning applications in the Neighborly Bonds Challenge that will allow the City to utilize the Neighborly platform to crowdsource a \$10 million minibond to purchase and preserve iconic music venues, fulfilling one of the objectives the mayor identified in the Music & Creative Ecosystem Omnibus Resolution. The initiative requires no obligation by Austin taxpayers.



The City's FY 2016-2017 budget also includes \$200,000 for staffing and implementation of one-stop shopping at permitting/code enforcement for music and arts venues and \$200,000 for emergency funding to save endangered arts venues. Interviewees and panelists continued the conversation that has begun about establishing a Venue Strike Fund to help preserve music venues, similar to the manner in which Urban Land Conservancy Strike Funds are utilized to provide affordable housing. Other strategies discussed and advanced for further consideration include Transfer of Development Rights (TDRs), 501c3 ownership models, 380 agreements in which municipalities provide assistance for economic development, Tax

Increment Reinvestment Zones (TIRZ), Tax Increment Financing (TIF), and Public Investment Districts (PID). Interviewees also recommended that venue operators explore and lobby for tax rebate programs, real estate tax relief, and tax credits. The Downtown Austin Alliance (DAA) could self impose a special assessment concept tax of .001% to be used for district improvements.

Panelists and interviewees agreed that venues should be added to existing music-focused or related organizations, such as the Health Alliance for Austin Musicians (HAAM). On December 13, 2016, the London-based Music Venue Trust announced the launch of Music Venues Alliance Austin, the first international member of the MVT's Music Venue Alliance. Music Venues Trust is a registered charity, created in January 2014 to protect the UK live music network by securing the long-term future of iconic grassroots music venues. One of MVAA's first announced goals is reduction of the state liquor tax for clubs and bars that prominently feature live music. The Alliance will work for the reduction during the 2017 session of the Texas State Legislature. A previous liquor tax reduction bill stalled in committee in 2013.

Interviewees advised that venue operators, musicians, and other members of the creative class should participate in CodeNEXT, a revision of Land Development Codes. The Austin City Council is expected to vote on the revisions in mid-2018. Members of the CodeNEXT Advisory Group (CAG) indicate that zoning overlays or relaxing of zoning regulations could make it easier for art galleries, theaters, and music venues to become established in areas zoned for retail and restaurants. At a recent CAG presentation to the Austin Music Commission, Commissioners expressed the need to preserve incubator—or musician development—venues as well as legacy venues. The CAG representative noted that certain areas of the city without residential development have existing buildings that could be repurposed as music venues, and he recommended that the city consider relaxing sound ordinances for those areas and generate clusters—or districts—of small incubator clubs.

The 2017 Red River Cultural District Business District Strategy report was produced by Soul-y Austin, a program of the City of Austin Economic Development Department. The report follows the 2015 creation of the Red River District Merchants Association with assistance from the Soul-y Austin Business District Incubator. The Strategy Mission Statement underscores the need to preserve the authenticity of culture that has grown organically: “Authentically Austin: Providing authentic Austin

experiences through diverse local music, art, and food for all.” Soul-y Austin is generating additional District Merchants Associations throughout Austin, and the Red River Strategy will serve as a model for other districts. The second and third districts will encompass the changing commercial/cultural landscapes of Manor Rd. and East 12th St. Elements of the Strategy include Economic Growth; Livability and Sustainability; Connectivity & Transportation; Music, Culture & Arts; Land Use & Regulations; and Green Infrastructure. The Economic Growth Strategy includes revising policies and programs managing sound levels in the Red River Cultural District by employing the Agent of Change principle, expanding the music venue assistance loan program, extending hours for outdoor live music,



and including rebates from the City's mixed beverage tax with an Entertainment License. Strategy Objectives for the support of Music, Culture & Arts include providing exposure for local visual artists and buskers in the Red River Cultural District, low cost or free events to increase public accessibility (such as the annual "Free Week" the first week of January), and supporting and preserving the Red River Cultural District designation.

CONCLUSIONS

- I. The panel agrees that music, especially music performed live before an audience, is a vital part of Austin's identity, cultural fabric, and quality of life. As singer-songwriter Jimmie Dale Gilmore once said, "Music is almost as important to sustaining life as food, water, and oxygen."
- II. The panel recognizes that the music industry is an important component of Austin's economy and a force that attracts new business and residents to Austin. It is also recognized that some areas of the industry need further development and nurturing while some, specifically live music venues, are endangered by soaring real estate values, taxes, rising cost of living, and other economic factors resulting from Austin's boom.
- III. Austin is in the effective "11th hour" of the endangerment of the live music scene, and taking no action in the near-term and failing to sustain action over the long haul are not acceptable options.
- IV. The 13 music venues in the Red River Cultural District make up a large contiguous cluster of music venues in Austin. Their success is partly tied to South by Southwest and visitors from Austin Convention Center activities. However, they also have a following of attendees from the Central Texas area.
- V. A significant presence of Austin's homeless population, crime, parking, access, the need for streetscape beautification and other improvements are also major factors impeding the district's success.
- VI. Other major forces affecting the venues' and district's current and future viability include the Waller Creek Conservation project, the University of Texas, Central Health/UT Medical School, and the planned Innovation District.
- VII. Due to housing costs and other soaring expenses, Austin is losing musicians and other creative class members to smaller towns like Lockhart, as well as music cities like Nashville.
- VIII. There is a need to create mechanisms to preserve and protect venues.



Figure: Photo Courtesy of Brian Parker Photography

RECOMMENDATIONS

Immediate (0-6 months from date of this report)

- I-1. Institute a pilot program allowing Red River Cultural District venues to offer live outdoor music for extended late-night hours on weekends. (Completed at the time this report was released.)
- I-2. Continue the introduced application of the Agent of Change principle when music venues and residential or non-entertainment businesses are brought into proximity by new construction or repurposed structures.
- I-3. Reduce Crime and Increase Safety. Without a solution to this problem, nothing else will be effective. The City and Austin Police Department (APD) should create a task force dedicated to cleaning up Red River and keeping it safe. Security should be enhanced in the Red River Cultural District, and police presence should be increased. Press stricter enforcement of existing laws in the district and explore solutions to improve alleys and dead zones where unsavory activity currently flourishes. Have law enforcement officers stop in once or twice each night, introduce themselves, offer to come back and help should a situation arise that would require their assistance. Hold social service agencies to the same level of accountability as district businesses.
- I-4. The venues should be more active in music organizations and utilize existing organization resources. Red River and other live music venues should reach out and become members or participants in other music oriented organizations that already exist. Examples include the Red River Cultural District Merchants Association and the newly formed Music Venues Alliance Austin. Venues should also explore collaboration with the Downtown Austin Alliance, Waller Creek Conservancy, and other relevant nonprofits.
- I-5. Red River Cultural District merchants should define “music venue.” In addition, the Merchants Association should provide information on best practices for venue operations. Learning best practices and sharing lessons learned with lother local venues (such as accounting practices for small business, inventory management, talent recruitment, and more) will support increased efficiency and profits. Merchants in the area should explore alternate avenues and or expand their services, such as daytime event space for business meetings, to expand the revenue options. Such practices will help navigate climbing rents in the area.
- I-6. Increase the self-policing and self-help discipline. Venues need to participate and pay for some solutions (crime patrols for instance) to demonstrate leadership and the importance in solving the problems. Venues must self-police to ensure that any venue failure is not due to poor management, but rather to overarching outside factors that are uncontrollable.
- I-7. Musicians and venue operators should participate in the CodeNEXT Advisory Group brainstorming, policy planning, and opinion persuading relative to the creation and preservation of music venues from the incubator level up. Explore zoning overlays and other code innovations that could streamline venue start-ups and operations.
- I-8. A separate entity should be identified or created to move the agenda, of perserving live music along the Red River Cooridor, forward. Once this entity is identified, they should enlist a leadership team to spearhead the effort. To maximize effort, have all involved coordinate with this entity.



Figure: Former President Obama at Stubbs BBQ on Red River.

Near-Term *(6-24 months from date of this report)*

- NT-1. Explore public-private venue preservation strategies, such as the sale or transfer of development rights, 501c3 nonprofit ownership, Venue Strike Funds, and conservation easements. Renew and increase efforts to achieve liquor tax rebates or reductions. Mobilize to support the “socially responsible investment” crowdsourcing effort for Mayor Adler’s \$10 million minibond to purchase and preserve iconic music venues. A more detailed study of the Beale Street Historic District might be helpful for that initiative.
- NT-2. Drill deeper into the public funding sources, such as 380 agreements, Tax Increment Financing, Public Investment Districts, Tax Increment Reinvestment Zones, and the increased funds flowing to Hotel Occupancy Tax coffers. Lobby the legislature for real estate tax relief. Learn more about the TCA’s Arts Respond Cultural District Project and work to qualify for that funding category.
- NT-3. Motivate both public and private entities to improve the appearance of the Red River streetscape. Examples include, but are not limited to, cleaning alleyways, adding trees and shade, improving sidewalks and adding additional trash receptacles. Create opportunities for more daytime activity in the district. Examples include, but are not limited to, offering lunch with free music to bring in nearby businesses and increasing happy hours.
- NT-4. Red River Cultural District should partner in some way with Waller Creek Conservancy. These two projects are inexorably linked. All of the effort and funding going into Waller Creek improvements is at risk if Red River continues to deteriorate and does not become a safer place to be. This Panel would recommend expanding the Waller Creek Conservancy boundaries to include tentacles that reach into Red River and would also influence the streetscape of the District.
- NT-5. Citywide Music Venue Preservation Program. The inclusion of music venues in existing historic and other preservation efforts should be addressed by the City. This concept would include ideas such as a 501c3 ownership model, a City land trust, conservation trust, venue strike funds and the like. If music venues can fit into existing structures, perfect. If not, then the City should create a committee to bring forth suggestions for new programs to address the issue. Explore tax abatements, modification of alcohol taxes, 380 agreements, the sharing of hotel occupancy taxes normally allocated to The Arts. Live music should be considered part of The Arts, and should share in existing benefits of those programs. Live music venue preservation should include the Agent of Change principle, requiring residences or businesses that locate near established venues to provide soundproofing elements in new construction or remodeling. Additionally, build upon the existing ombudsman service in Economic Development Department to help venues navigate through the City permitting process.
- NT-6. The Cultural District designation should be more complete. The City should immediately formalize the Cultural District designation and provide real benefits. These might include allocation of extra funding for infrastructure and maintenance, inclusion in a sharing of HOT or TIF funds, additional allocation of APD resources, or other designation benefits. Also, in considering planning and zoning cases in a Cultural District, special benefits could be available for those that include Live Music Venues (whatever the defined term includes). Additional FAR, some fee waiver, access to City or State funds for parts of the project, etc., should also be considered.
- NT-7. As noted during recent ULI TAPs addressing the expansion of the Austin Convention Center and a new downtown depot for Capital Metro, visitor wayfinding signage throughout much of downtown Austin and the Red River Cultural District is greatly needed.
- NT-8. Whenever possible, continue to work with the City’s Music Office, Economic Development Department, Transportation Department, Public Works Department and other entities to drive the positive agenda of the Imagine Austin and Omnibus plans.

Long-Term (2+ years from date of this report)

LT-1. Austin Resource Center for the Homeless (ARCH) containment or relocation. The homeless population appears to have outgrown the resources of the ARCH. The result is a constant homeless presence surrounding the ARCH and stretching into Waller Creek. (While more difficult and complex than perhaps any of the issues in this report, the unfortunate reality is that if the ARCH cannot completely contain those whom it is there to help, it would be best for it to relocate.)

LT-2. Encourage stronger communication and more frequent collaboration between the Red River Cultural District and the Waller Creek Conservancy. Partnering with the green space initiative and increasing appreciation for the chain of pocket parks will inevitably bring more people into the district during the daytime.

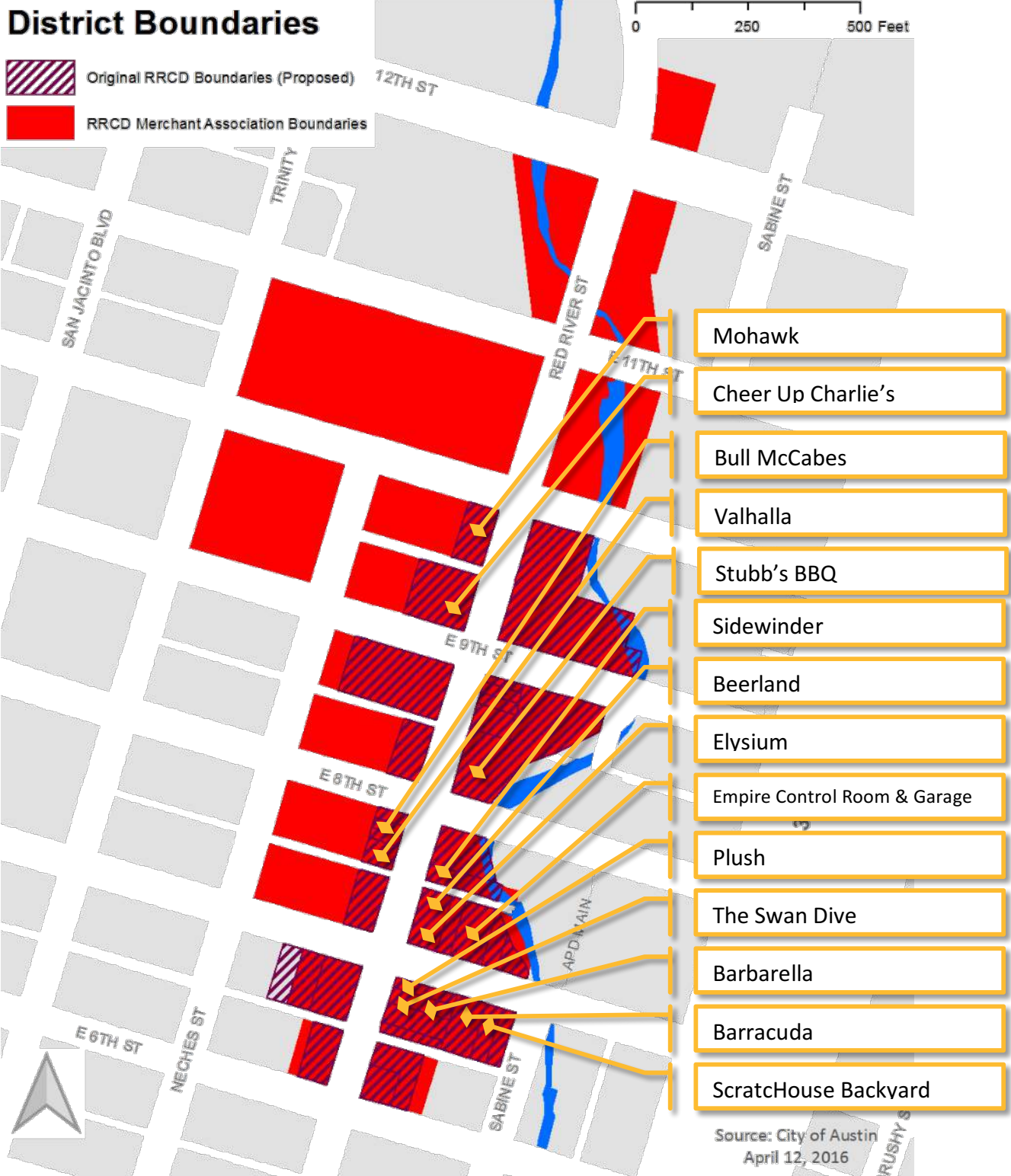


Figure: Photo Courtesy of Brian Parker Photography

LT-3. Improve the mechanisms for music tourism in the district but also for other forms of tourism such as heritage tourism and other arts tourism. Engage more with Symphony Square and the German Texan Heritage Society. Develop the history aspect of the Red River Cultural District brand and tie it to the last 50 years of Austin music. Follow through with exploring potential for the Austin Music Memorial bronze disc plaques to be relocated from Long Center terrace to Red River. Leverage the stories of the 19th century architecture that has soaked up a mesmerizing kind of mojo found only in aged stones, bricks, and creaky wooden floors. Help visitors hear the musical history of the street while creating an atmosphere in which the newest sounds can cast their own spells.

LT-4. Encourage the continued availability in the District of multiple genres of music, not only to provide something for every taste (within reason) but also to allow venue-hoppers to experience Austin's rich diversity.

ADDENDUM A: MUSIC VENUES IN DISTRICT



ADDENDUM B: POST-PANEL DEVELOPMENTS

In the weeks since the ULI panel convened to interview stakeholders and explore avenues for preserving and protecting live music venues in the Red River District and throughout Austin, several developments have occurred that underscore the need for immediate and sustained action and attention.

The City of Austin approved a six month pilot program along Red River Street between sixth and 12th streets, where previously venues were required to shut down music at midnight. Venues cited this ruling was costing them revenue necessary to adequately pay musicians and keep up with the rising cost of rent. The pilot program begins May 1 and ending Nov. 1, 2017 and allows outdoor music venues in the Red River Cultural District to extend the outdoor live music curfew from 11 p.m. to midnight Thursdays and from midnight to 1 a.m. Fridays and Saturdays.

The Westin Hotel filed a million-dollar lawsuit against The Nook, a small Sixth Street venue, alleging damages due to the volume of the venue's live music. The Agent of Change principle would have provided guidelines that could have avoided such a conflict. It is important that this suit be resolved in such a manner that it does not set a precedent that could further compound the difficulties faced by Austin's live music venues.

The Continental Club personnel became alarmed upon learning that the City intended to remove 18 parking spaces from Congress Avenue. Meeting with City representatives, the venue was able to stop the move that would have negatively impacted an already dire parking situation in one of Austin's most popular areas.



Austin-Bergstrom
International Airport

Austin-Bergstrom International Airport (ABIA) officials announced that the the Saxon Pub, Austin icons that provided distinctive live local music in the airport terminal, would not have their leases renewed after 2017. The Central Texas artists who performed in the terminal were musical ambassadors for Austin's unique character and identity, welcoming thousands to town each week. The Saxon Pub will be replaced with another local Austin establishment, Hut's Hamburgers. Additionally with the expansion of the ABIA terminal, three new stages for music performances will be added. There are currently five stages which host 21 shows a week. As of December 2016, over 10,000 live music performances have occurred at ABIA since it opened in 1999.



ADDENDUM C: BEST PRACTICES

During the course of the Panel's discussions, several of recommendations were identified as best practices that could be applicable in the preservation of other cultural districts in the City of Austin. You can also find additional best practices from other cities in Addendum E.

- ✓ The Cultural District designation should be more complete. The City should formalize a Cultural District designation process and provide tangible benefits to the merchant. These might include allocation of extra funding for infrastructure and maintenance, inclusion in a sharing of HOT or TIF funds, additional allocation of APD resources, or other designation benefits. Also, in considering planning and zoning cases in a Cultural District, special benefits could be available for those that include Live Music Venues (whatever the defined term includes). Additional FAR, some fee waiver, access to City or State funds for parts of the project, etc., should also be considered.
- ✓ Focus on Crime and Safety. Without a safe environment, tourism and economic activity will be difficult to attract. The City and APD should create a task force dedicated to cleaning up designated Cultural Districts. Security should be enhanced in the Cultural Districts. Press stricter enforcement of existing laws in the district and explore solutions to improve alleys and dead zones if unsavory activity currently flourishes.
- ✓ Area merchants should be active in local organizations and utilize existing resources. Examples include the Merchants Association and the newly formed Music Venues Alliance Austin. Merchants should also explore collaboration with the Downtown Austin Alliance, Waller Creek Conservancy, and other relevant nonprofits.
- ✓ Provide information on best practices for local merchants in a Cultural District to ensure continuity of operations. Learning best practices and sharing lessons learned (such as accounting practices for small business, inventory management, talent recruitment, and more) will support increased efficiency and profits. Such practices will help navigate climbing rents in the Austin area.
- ✓ Preservation Program. The inclusion of local merchants in existing historic and other preservation efforts should be addressed by the City. This concept would include ideas such as a 501c3 ownership model, a City land trust, conservation trust, venue strike funds and the like. Explore tax abatements, modification of alcohol taxes, 380 agreements, the sharing of hotel occupancy taxes normally allocated to The Arts. Live music should be considered part of The Arts, and should share in existing benefits of those programs. Live music venue preservation should include the Agent of Change principle, requiring residences or businesses that locate near established merchants to provide soundproofing elements in new construction or remodeling. Additionally, the City permitting process should be revised to make it much more efficient and to ensure that applicants are not provided conflicting information from different City departments.
- ✓ Focus on the Agent of Change principle when music venues and residential or non-entertainment businesses are brought into proximity by new construction or repurposed structures.
- ✓ Explore public-private venue preservation strategies, such as the sale or transfer of development rights, 501c3 nonprofit ownership, Venue Strike Funds, and conservation easements. Renew and increase efforts to achieve liquor tax rebates or reductions. Mobilize to support the "socially responsible investment opportunities to purchase and preserve iconic merchants such as music venues.
- ✓ Motivate both public and private entities to improve the appearance of streetscapes. Create opportunities for more daytime activity in any district.
- ✓ Whenever possible, merchants should to work with the City of Austin (i.e. the Music Office) and other entities to drive the positive agenda of the Imagine Austin and Omnibus plans.
- ✓ Improve mechanisms for tourism in a district, such as heritage tourism and other arts tourism.

ADDENDUM C: DIVERSITY OF MUSIC IN DISTRICT

The following represent the diversity of music from a sample of venues surveyed in the Red River Cultural District. This is not a statistical representation of venues, rather meant to provide a quick overview of the offerings at a variety of venues from small to large. All numbers are rounded and self reported by each venue.

Empire Control Room & Garage

Genre

- 32% Local Musician
- 34% Dance
- 15% Urban
- 3% Rock
- 7% World
- 3% Comedy
- 7% LGBT

Cheer Up Charlies

<u>Genre</u>	<u>Ethnicity Demographic:</u>		<u>Gender Demographic</u>		<u>Orientation Demographic</u>	
35% Garage/Rock & Roll	50%	Anglo (non-hispanic)	40%	Men	30%	Heterosexual
20% Electronic	30%	Hispanic	40%	Women	60%	Homosexual
5% Country Western/Folk	11%	African American	20%	Non-Binary	0%	Bi-sexual
25% Dance Party	6%	Asian				
14% Literary/ Speaking Event	3%	Native American				
1% Hip-Hop						

Stubbs

Stubb's welcomes all patrons, regardless of race, gender or sexual orientation. Stubb's accommodated approximately 600,000 customers in 2016.

Stubb's has always taken great pride in presenting culturally diverse talent on our stages. We are hosting Conjunto Festival in May, celebrating the heritage of Mexican Conjunto music. This is just one example of culturally diverse entertainment performed at Stubb's. From Public Enemy to Manu Chao to Ani DiFranco, if there is a demand, Stubb's will proudly host.

ADDENDUM E: GLOBAL INITIATIVES FOR PRESERVING LIVE MUSIC

The ULI Panel surveyed efforts to preserve music venues and legacy businesses in Australia, San Francisco, Memphis, Brooklyn, New Orleans, and Canada. This Appendix explores and documents some of those efforts. However, in each case the results are still unproven or not fully employed, and Austin will need to carve its own path. Austin will need to lead, not follow, in this preservation and revitalization effort.

AUSTRALIA



The Australian Live Music Office, a federal agency, works to increase opportunities for live music in Australia by identifying and advocating for better policy, regulation and strategy. The live music sector has interaction with government at local, state and federal levels across cultural, regulatory and built environment policy.

Venues operate within a co-regulatory framework, and the Office works to achieve solutions within existing regulations. Often there is a lack of alignment, information and transparency across the various hoops that operators have to jump through before they can operate a venue or host an event. Liquor licensing, planning

and environmental protection guidelines are determined at the state level, while local planning controls, development consent for venues, and events approvals lie with local government. There are significant differences nationally between states and territories in how regulations are applied, as well as how resources are allocated to grants and sector development strategies.

The 2016 Urban Sounds report discusses the management of mixed use precincts in Canberra. Dubbed “Our Cool Little Capital” in the Australian Capital Territory (ACT), Canberra is the country's equivalent of the United States' Washington, D.C. Urban Sounds defines mixed use areas as places where residences are located together with businesses, entertainment venues and services. The Territory Plan, ACT's statutory planning document that provides the policy framework for the administration of land use and planning, and the Development Application process require that the most recent and new development in an area adhere to a version of the Agent of Change principle. For example, if a new live music venue wanted to set up next to a residential development the venue would need to comply with the noise use standard for that land use zone and ensure appropriate noise management measures are in place to protect residents. Conversely, if an apartment block was developed next to an existing music venue, the onus for managing noise would fall on the apartment block but the existing venue must comply with the noise standard for the land use zone.

Urban Sounds also notes that some Australian jurisdictions have created special entertainment precincts that provide a place-based framework for accommodating noise, such as live music, in inner-city settings. A prime example is in Brisbane, capital of the state of Queensland and Australia's third largest city. Brisbane's Fortitude Valley is an important entertainment hub. The wide range of live music events held in the valley has caused conflict between residents, businesses and the entertainment industry. To address the noise issues, the Brisbane City Council released the Council's Valley Music Harmony Plan in 2004. Among other things, the plan created a special entertainment precinct. Within this precinct the onus has been placed on new developments to ensure noise management and attenuation measures are put in place. It also requires greater communication with potential residents to ensure they understand the noise levels in the valley before they make a decision to live there.

Also produced in 2016, the Streamlining Live Music Regulations report explored red-tape cutting options for live music venues in the state of South Australia (SA). The report notes that the state capital, Adelaide, is considered one of the most livable cities on the planet due to its environmental and cultural factors. Further, it is stated that the flourishing of live music in Adelaide is a vital element to the success of the state's desire to attract new investors, entrepreneurs, residents and visitors. The report notes that Adelaide is already an exciting community for musicians and music lovers with a robust music infrastructure and a history of musicians and bands that have achieved global success. This was formally recognised by the United Nations in December 2015 when Adelaide was designated a UNESCO City of Music, joining just 19 other cities internationally noted for their music cultures. While music is often acknowledged for its cultural contribution, it also has significant and often unrecognized economic value. A recent report found that live music in SA annually contributes \$263.7 million to the South Australian economy and delivers 4,100

jobs. In addition, this research shows that live music is a popular attractor for tourists and a key driver of overnight visits. Live music, the report concludes, is therefore not just good for the city but for its economy.

The Streamlining report produced a number of proposals for changes to live music regulation. These include: 1. Allow all venues, both licensed and unlicensed, to showcase 'low risk' musical activities without needing to obtain development approvals. 2. Adelaide City Council should provide a case management service for live music venues to provide a single point of contact and assistance to navigate the complex planning, building assessment and liquor licensing systems. 3. Adelaide City Council should remove any existing development conditions which are inconsistent with the new approach outlined in recommendation 1, free of charge, upon application of the venue. 4. The Department of Planning, Transport and Infrastructure should deliver an advisory notice to guide assessing bodies on how to consider entertainment related activities under the Development Act of 1993. 5. The Environmental Protection Agency (in consultation with the Adelaide City Council and industry) should produce a technical guide for acoustic engineers setting industry standards for engineers.

One of the elements of the SA live music report that echoes part of the discussions held during the ULI TAP interviews focuses on grant funds available for live music. SA venue operators indicated that grants to alleviate the costs of acoustic engineering reports would greatly assist and encourage venue operators in gaining relevant approvals to showcase live music. Existing SA grants available for live music through Renewal SA and Arts SA include the City Makers program which provides grants in the Central Business District of up to \$10,000 for building compliance related costs (previously \$20,000 in round 1). Of the businesses in the first two rounds of grants, the only bar to receive a grant was a special circumstances licensee undertaking noise attenuation measures to play live music. The Contemporary music grant (\$300,000 total and for original local music only) includes a 'Festival and Venues' category. Of this, nine small festivals shared \$63,000 towards local artist fees, marketing and production in 2015 with no live music venues applying.

Another Australian state, Victoria, offers a novel Music Works Grants program that invests in the development and support of Victoria's contemporary music artists and music industries. It provides support in four categories designed to enliven Victoria's contemporary music sector, increase employment, and build cultural capital while increasing Victoria's self-described position as a world famous live music capital and Australia's contemporary music hub.

The Major Round funding category, available to Victorian-based professional music practitioners at any career stage working in contemporary music in all genres and to Victorian-based managers and technicians, provides grants of \$2,500 to \$20,000 for individuals and \$2,500 to \$75,000 for organizations. Quick Response Grants provide support from \$1,000 to \$5,000 to individuals and \$1,000 to \$15,000 to groups and organizations to cover immediate opportunities in Regional Activity, Building Capacity (Professional Development) and Connecting to Markets areas of funding. The Good Music Neighbours program is part of a ground up approach to support music venues and the music industry. Providing up to \$25,000 per venue in matched funding, the program helps venues be proactive about sound management. Rockin' the Laneways is an initiative designed to transform Victoria's contemporary music sector and boost opportunity and employment. These grants of up to \$25,000 each support projects that highlight Victoria's celebrated popular music history, attract cultural tourism, and encourage fans to discover more about Victoria's rich music history. Rockin' the Laneways grants are also available to support ideas to develop music trails exploring Victoria's Aboriginal music heritage, council walks, and new signs in musically important places. Grants can be requested for the development of innovative digital projects, event creation, and activity and music-based installations in musically significant spaces.

SAN FRANCISCO



The San Francisco Entertainment Commission, a city agency created in 2003 to represent a variety of stakeholders in entertainment issues, assisted with the passing of a new law in 2015 that requires new residential development within 300 feet of an active place of entertainment to present their project to the Commission. The law, called the Compatibility and Protection for Residential Uses and Places of Entertainment under Administrative Code Chapter 116, is based on the European Agent of Change principle, a principle endorsed by many of the entities explored by the ULI Panel. In San Francisco, developers must complete sound studies early in the process of real estate sale and construction. The developers factor these issues into their design and employ better materials to abate sound intrusion. It's written into the recorded property deed as well.

Places of entertainment are noted on online San Francisco property maps so that developers may determine what hoops exist. The Commission has amended the law to include hotels and motels as well as residential. Recommendations to the San Francisco Planning Commission by the Entertainment Commission have carried greater weight than had been anticipated, and developers have been careful to seek Commission approval. Acoustical consultants—who determine how sound moves through various materials and through space—have been very important in this process. The Commission is developing a best practices sound study with acoustical consultants.

The San Francisco Entertainment Commission has also been active in helping to develop subsidies for a Legacy Business Program. Preservation organizations identify legacy bars and restaurants, and it becomes a marketing tool that also involves and benefits nonprofits. Through the Legacy Business Historic Preservation Fund, Legacy Businesses on the registry may receive Business Assistance Grants of \$500 per full-time employee per year, while landlords who extend the leases of such businesses for at least 10 years may receive Rent Stabilization Grants of \$4.50 per square foot of space leased per year. The business grants will be capped at \$50,000 annually; the landlord grants will be capped at \$22,500 a year.

NEW YORK



A Mayoral priority and a joint project by the New York Economic Development Corporation (NYCEDC), the Department of Cultural Affairs, the Department of Housing Preservation and Development, the Department of City Planning, and the Downtown Brooklyn Partnership, the Brooklyn Cultural District is a groundbreaking development plan that represents more than \$100 million investment in the arts and public spaces. The project has funded the construction of the Brooklyn Academy of Music (BAM) Fisher Building on the previous "Salvation Army" site adjacent to the BAM Opera House, which was completed and opened in September 2012. The 40,000 square foot building is LEED Gold certified and includes a 250-299 seat flexible performance space; rehearsal, classroom, and workshop space; a rooftop garden; and support offices for BAM's Education & Humanities Program.

NYCEDC is working to transform a parking lot into a new state-of-the-art, 32-story mixed use facility designed by Enrique Norton of Ten Arquitectos, including approximately 50,000 square feet of creative and cultural space that will be shared by BAM, 651 ARTS, The Museum of Contemporary African Diasporan Arts and the Brooklyn Public Library. In addition, the building will include approximately 23,000 square feet of ground level retail, as well as approximately 300 to 400 apartments, 20 percent of which will be affordable. Plans also include a 10,000 sq. ft. public plaza to provide desired open space for community residents, local artists and visitors. The plaza is designed to allow for a variety of outdoor programming, including dance and theater performances, film presentations, open air markets, craft fairs, and other community uses.

NYCEDC is building a permanent home for the Theatre for a New Audience, an internationally-renowned arts group, with a 299-seat theater, a rehearsal studio, and a public plaza. Former Mayor Bloomberg, Former Brooklyn Borough President Marty Markowitz, and TFANA broke ground on the 27,500-square-foot theater in June 2011. It is the first classical theater built in New York City in more than four decades, and is the theater company's first permanent residence.

LOUISIANA



In 2008, the Office of the Lt. Governor of Louisiana and the Department of Culture, Recreation and Tourism announced certification of the first 29 Cultural Districts in New Orleans and several other cities, including Slidell, Gretna, New Iberia, Houma, and others. The designation allows each Cultural District to apply for state tax credits for revitalization of historic structures and to market the sales of original art tax free. The primary goal of this initiative is to spark community revitalization based on cultural activity through tax incentives. By 2016 the number of Cultural Districts in the state had grown to 83, in 54 towns and 35 parishes in all corners of Louisiana, evidence that this is a successful initiative embraced by local governments and cultural stakeholders throughout the state.

Data collected on the districts reveals that art, culture, and historic preservation programs generate a robust economic impact for the state, creating new businesses and jobs. The population of zip codes in the state's Cultural District and Main Street communities is 31% of the population of Louisiana. Those same zip codes account for 48% of the state's cultural jobs, an indication that investing in cultural development pays off in jobs and economic growth.

The Sound Places program, a new initiative for 2017, will integrate musicians-in-residence into Cultural District community life, combining music, placemaking, and civic engagement.

MEMPHIS



In Memphis, the Beale Street Historic District is an interesting case study for a Cultural District or Entertainment District focused on music. Despite the formal recognition of its rich African-American musical history by a 1977 Act of Congress that declared it the Home of the Blues, the three-block district on and around Beale Street between Second and Fourth Streets languished in urban ruin after a renewal project razed blocks of buildings in the area, including some on Beale.

The Beale Street Historic District was organized in 1983. The City of Memphis owns most of the properties in the district, and a private entertainment company managed the district for some 31 years. A tangle of lawsuits and liens ended that relationship in the early 2010s. Memphis' mayor appointed members to the Beale Street Strategic Planning Committee in 2011. Six Committee sub-committees drilled down into the district issues concerning Vision & Mission; Legal & Finance; Governance & Management; Programming, Growth & Development; Branding & Marketing; and Customer Experience. In the Committee's report entitled A Framework for the Future of Beale Street, survey data indicated that 54% of respondents stated that the neighborhood's history—which includes musical luminaries such as B. B. King, W. C. Handy, Memphis Minnie, Louis Armstrong—was their favorite thing about the district.

Despite managerial ups and downs, the district remains one of Tennessee's most popular tourist attractions. Readers of the USA Today newspaper voted Beale the most iconic American street in 2013, and the 34 lessee businesses in City-owned properties gross between \$30 and \$40 million per year. To preserve and grow that success and to protect the historic identity and character of the district, the Memphis City Council established the Beale Street Tourism Development Authority in 2015. At present, the Downtown Memphis Commission is serving as interim management while the Authority considers management proposals from various private entities. And in addition to its claim to being the birthplace of the blues, Memphis' tourism branding also leverages the city's history of Elvis and Sun Records by calling itself the home of rock'n'roll and leverages the story of Stax Records with the moniker Soulsville USA.

CANADA



music community

The 2015 report, *The Mastering of a Music City*, produced by Music Canada and its global counterpart, the International Federation of the Phonographic Industries (IFPI), was inspired by a 2012 Music Canada report, *Accelerating Toronto's Music Industry Growth: Leveraging Best Practices from Austin, Texas*. Key strategies of *The Mastering of a Music City* include:

- government policies that are friendly to music and musicians
- a music office or officer as a single point of governmental contact for the

- a music advisory board or commission that serves as a conduit between the music community and city hall and as a forum for the music community to develop consensus on issues and provide advice on the regulatory and legislative environment
- engaging the broader music community to get their buy-in and support access to spaces and places for education, rehearsal, recording, and performance,
- including clusters of venues that are proving very effective in cities around the world audience development, especially for local performers music tourism leveraging year-round venues, festivals, and local historical music landmarks.

The report's section on the development of venue clusters or Cultural Districts cites the lobby group Austin Music People's successful 2013 campaign to create the Red River Cultural District. The report notes that the district designation has provided the district's music venues with development planning influence, facilitated musician load-in and load-out zones, and created opportunities for cooperative marketing and promotion.

Another Cultural District cluster highlighted in the report, downtown Montreal's Quartier des Spectacles, features some 30 venues in approximately 3.5 square miles. Managed by a nonprofit, the City enhances the district with infrastructure and programming investments.

Challenges noted include gentrification, the process by which a music venue or other artistic venture makes a relatively neglected area so attractive to real estate investors that the venues can no longer afford to maintain their location. As virtually all sources considered by the ULI panel have also observed, live music venues are often seen as undesirable neighbors to developers due to sound—or noise—issues. The report cites San Francisco's recent legislation intended to protect music venues as a model measure.

Music-friendly policies outlined in *The Mastering of a Music City* include the following:

- Government departments responsible for liquor licensing, business licensing and other public safety measures, should work with the music community to identify compliance issues that restrict business growth in an effort to identify mutually-beneficial solutions.
- Transportation planning and parking zones should take into account the needs of existing and developing music business clusters for efficient access. This should include short-term, reserved parking spots for active loading and unloading.
- Land use planning should take into account culturally significant sites and zones to protect their ongoing viability, recognizing that these are often the assets that make neighborhoods attractive to additional investment. Developers should be required to take into account these existing sites as part of the planning process, coordinate their activities with all relevant city departments, and inform future purchasers about the presence of music venues and clusters.
- Music communities should explore the viability of historical designation or cultural zone designation to bring awareness to the value of individual sites and zones.
- The Agent of Change principle should be explored in areas where there is already a significant number of live music venues.

In a discussion of Grant and Loan Programs, the report cites Austin's Music Venue Assistance Program, which provides low interest micro loans to help venues enhance indoor and outdoor sound quality, while reducing decibel impact on adjacent properties.

While noting the economic and placemaking, branding, and identity-shaping benefits of music tourism, the Music Canada/IFPI report cautions that maintaining the cultural or artistic authenticity of a city's musical assets can present unique and slippery challenges. Promotion of those assets runs the risk of devaluing them by making them appear forced or contrived. The best safeguard against inauthenticity is engagement of the music industry by tourism agencies and marketing departments. Developing an authentic music brand helps put a city on the tourism map. The fact that Austin is singled out in the report for its success in generating tourism by leveraging its musical identity, despite the diminishing of the music scene over the last several years, illustrates the challenges inherent in building tourism through a musical brand.

LONDON



Noting that a number of large music venues had been closed in the wake of development projects, a 2015 document produced by the Greater London Authority entitled *An A – Z of Planning and Culture* includes a case study for sound volume issues between a music venue and a residential development. A live music club called the Ministry of Sound (MoS) in the Southwark borough of London had been operating for a quarter-century, drawing some 300,000 patrons a year. The venue is described as a flagship business in the Elephant & Castle Enterprise Quarter. A recent planning application included a 41-story building and an eight-story building that together would include 270 residential flats. MoS made a formal objection to the residential component as a potentially sensitive receptor of noise emanating from the MoS premises.

Project architects revised the design to incorporate acoustic glazing, sealed windows, and winter gardens to the floors deemed most vulnerable to the noise. The report explained that the Mayor's Housing Supplementary Planning Guidance recommends the use of winter gardens as a form of noise mitigation. The Ministry of Sound proposed that it be granted a Deed of Easement of Noise, and the landowner signed a Deed of Easement granting the venue the right to produce "club noise" up to the "current club noise level." The right binds not only the landowner but also any successors in title.

ADDENDUM E: BIOGRAPHIES OF PANELISTS

John McKinnerney (Panel Chair)

John McKinnerney is a founding principal of Castle Hill Partners. His role includes acquisitions, investment analysis and overall business strategy. Prior to Castle Hill Partners, Mr. McKinnerney was a principal with Simmons Vedder Partners for fourteen years. Before joining Simmons Vedder, he was a Regional Acquisitions Partner with JPI. McKinnerney is an active member of The Urban Land Institute where he recently served as Chair for the IOPC Gold Product Council. He also serves on the Executive Committee for The University of Texas Center for Real Estate Finance and is a past member of numerous advisory boards including National Multi Housing Council, Housing Works and Real Estate Council of Austin. McKinnerney was educated at The University of Texas at Austin and has over thirty years' experience in commercial real estate acquisitions, development and finance.

Dan Wheelus, Esq.

Dan Wheelus is a solo practitioner in commercial law. He graduated from the University of Texas, Plan II and received his J.D. from the University of St. Mary's Law School. Wheelus has been active in counseling with local governments struggling with growth issues. He is a member of the ad-hoc committee that organized and funded the petition obligating the at-large Austin City Council to place the 10-1 council system on the November 2012 ballot.

Greg Clay

Greg Clay is President of JMI realty. He is responsible for day-to-day operations, as well as helping to determine and execute the overall investment strategy of the company. Since joining JMIR in 1998 he has also held the positions of Chief Investment Officer, Senior Vice President of Acquisitions and Development, and Director of Development. Clay has a Bachelor's Degree in Finance from Texas A & M University and a Master's Degree in Business Management from Southern Methodist University.

Perry Lorenz

Perry Lorenz is a 50 year resident of Austin Texas having formed and generally served as managing partner of numerous partnerships involved in the purchase, sale, management and development of downtown properties. Most recently Lorenz has focused on mixed-use condominiums in and around Austin's central business district. Projects include The Nokonah, Spring, Barton Place, The Independent and numerous condominium developments on Austin's East Side.

Cody Cowan

Cody Ross Cowan was born & raised in the vibrant live music culture of Austin, Texas. He has spent the last 7 years of his two-decade career in music operating the Mohawk, a live music venue & bar in downtown Austin. Cowan graduated from the University of Texas at Austin.



3445 Executive Center Drive
Building 3, Suite 105
Austin, TX 78731