

Recommendations for how to spend the \$12 million bond funds for acquisition and improvements of creative spaces

Ballot Language: The issuance of \$128,000,000 in tax supported general obligation bonds and notes for planning, acquiring, constructing, renovating, improving, and equipping community and cultural facilities, libraries, museums, and cultural and creative arts facilities, and acquiring land and interests in land and property necessary to do so; and the levy of a tax sufficient to pay for the bonds and notes.

Creative Spaces: \$12 million in funding for the acquisition and improvements of creative spaces.

Focus of Recommendations: support for multiple existing cultural organization, non-city site management, transparency in selection processes, on-going accountability for all partners.

To the Creative Space Bond Working Group:

This memo is being sent to address our recommendations and perspective concerning how to allocate the \$12 million in bond funds for the acquisition and improvements of creative spaces from the recent election. We understand and appreciate the limitations for the use of this money, and to the best of our knowledge and understanding have restricted our recommendations to permissible, legal uses. We also constrain our recommendations to strategies that will provide long-term impact and value for the community and city, at least as long as the 6-year life of the bond, if not significantly longer. The overwhelming majority of the \$128 million Proposition B total is going toward city-run facilities. \$12 million may be a modest pie slice of that total, but it would be a huge, impactful, meaningful infusion for non-city run, mission-driven arts and cultural spaces.

Our recommendations for the \$12 million in unassigned cultural space bond money are as follows:

1. Bond funds should support multiple facilities.

Priority should be placed on existing organizations with a demonstrated history of impact within the community. Currently operating creative spaces in the city are in crisis (see Omnibus). We know that the City understands the contribution of these struggling spaces in “keeping austin weird” as a vibrant, unique place and advancing our reputation as “the live music capital of the world,” and wants to help these groups stay in place. Providing support with this funding will have a meaningful impact for organizations that have been integral in bringing to life the aforementioned slogans. The bond package has already allocated \$66.5 million in bond funding to existing city-run cultural centers*, and so we believe that this remaining unassigned \$12 million

*Cultural Center Improvements (\$56.5 million) minus Mexic-Arte allocation (\$15 million), since Mexic-Arte is not city-run, plus Dougherty Replacement Facility (\$25 million).

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represents an important opportunity to spread support by providing multiple opportunities for cultural spaces in the community. The process of building up trust and cultural legitimacy can be a long road for any creative organization and ultimately costs blood, sweat, tears, and real money. We believe that the city ultimately will be saving money by putting its trust back into the existing community rather than focusing these efforts and funds on the creation of a single new cultural center or starting from scratch. Many of these spaces are also well positioned as anchors in emergent cultural hubs in the city, and their preservation will allow them to continue contributing the overall area growth and growth of reputation. Using this money on the development of a single new cultural center would represent a failure to support the creative sector organizations and people that the bond was at least in part intended to support. The bond language strongly implies that some of the overall Proposition B total will be used to fund creative spaces as a separate item from cultural centers. If the \$12 million is not used for this purpose, we find that this will have been a misleading suggestion for voters who supported the measure. The language of the bond measure suggests support for the space needs of existing cultural organizations. Therefore, we recommend using this funding to support multiple spaces rather than the creation of a new single cultural center. However, an exception to this broad recommendation could be found in a public private partnership which leverages the lump sum of the bond to create a larger source of funding over a longer duration of time.

2. If bond money is allocated for the purchase of facilities, any facility purchased should be delegated to existing & established creative non-profits and creative organizations to occupy and manage.

This also goes for the city leasing existing city-owned space. The management organization should not be a city-run entity. As discussed in point 1, the city should work to leverage the experience and capacity for site management that already exists in Austin's cultural space ecosystem. If the facility has a current, established creative tenant at the time of city purchase, that tenant should have priority to stay after city purchase. If the facility does not have a current creative tenant at the time of city purchase, established creative organizations should receive priority placement. We recognize that the city is responsible and ultimately accountable for certain risks and liabilities for properties they own. Therefore, we suggest the creation of a system for setting up management agreements to address the city's legal needs in this area.

3. Leveraging funds to create under market rent for existing organizations is a solution to long term sustainability.

Examples of this could be found in leasing a city owned facility for a 99 year lease to an arts

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organization at either below market rate or a \$1 year lease. Funds from the bond could go toward upgrading the building to a suit the needs of the broader creative community.

4. The Potential of Public/Private Partnerships.

We approve of the use of these funds to support public/private partnerships. These partnerships, however, should still align with the values represented in this document, including support for multiple existing cultural organizations, non-city site management, and transparency in selection process as well as ongoing accountability for all sides of the partnership.

5. A Cultural Trust is a long term solution to extend impact of bond funds.

A creative or cultural trust operated by a new independent organization, solely dedicated to the management of the trust, is a good use of bond funds. This organization and the review and oversight around it should be public and clear (See below) and it's only purposes should be to serve the language put forth in the bond and retain and create new creative space in Austin. (ex. <https://cast-sf.org/>) If cultural trust is pursued, learn from successes and failures from other North American cities and integrate these findings into the strategy development.

6. The need for a transparent, careful and critical bond review and application process.

The application and review process should be transparent, clear and public. Potential panelists should either a) have intimate experience with all finalists, scored on site visits for all applicants and working knowledge of Austin, or b) no experience with the finalists at all, scored solely on information put forward in the application. There should be a recognized value and benefit to existing organizations applying together and/or their ability to serve a diverse and broad community. Use the Omnibus 1.0 recommendations and Anti-Displacement Task Force small business and cultural asset recommendations as a guide, as well as other formative cultural planning documents in and around the City of Austin.

Alignment with Anti-Displacement Task Force Small Business and Cultural Asset Recommendations:

I. [Recommendation 79] *Provide dedicated bond funds and other sources of funding to establish a robust cultural land trust with a priority to be given to communities facing late stage gentrification.*

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II. [Recommendation 80] Use the disposition of surplus City-owned land, and through partnerships with private, nonprofit and local government entities, to establish a robust cultural land trust. (Chapter 253 Local Government Code allows for this).

III. [Recommendation 81] Create a robust cultural land trust to be implemented within one year to be operated as a joint venture as a public-private partnership with city, philanthropic, corporate and nonprofit arts leaders. The cultural land trust will provide: a. Affordable housing for artists; b. Studio, office, practice and performance space for artists.

The Bond appears to be a great opportunity to solve some of the potential needs and threats to the creative community and ecosystem in Austin. We'd also like to use this time to mention that there are still many low cost opportunities to strengthen systems within the city, including but not limited to the permitting and code compliance process for cultural facilities and small business (also mentioned in the Anti-Displacement Task Force recommendations and the Omnibus recommendations).

Sincerely,

The Museum of Human Achievement

Brown State of Mind

Fusebox Festival

Dimension Gallery

The Rude Mechanicals

ICOSA Collective

Mosaic Sound Collective

CotFG

Co-lab Projects

Motion Media Arts Center

Big Medium

(Austin School of Film + Austin Cinemaker Space)

Women & Their Work

Unbounded

GO collaborative

MASS Gallery

Hyperreal Film Club

Salvage Vanguard Theater

HIVE Arts Collective

Ground Floor Theatre

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