

AGENDA



Recommendation for Council Action

Austin City Council	Item ID	43226	Agenda Number	6.
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Meeting Date:	3/26/2015	Department:	Economic Development
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Subject

Approve a resolution authorizing the City to be a co-applicant with the Film Society of Austin on an application for grant funding in an amount not to exceed \$1,008,000 from the U.S. Department of Commerce, Economic Development Administration to create a creative media facility on City-owned property leased to the Society.

Amount and Source of Funding

Funding in the amount of \$1,007,185 is available from the Fiscal Year 2014-2015 United States Economic Development Administration's Economic Development Assistance Program by the U.S. Department of Commerce. If the grant application is approved, a budget amendment to accept and appropriate these funds will be returned to Council for their consideration. A city match is not required.

Fiscal Note

A fiscal note is not required.

Purchasing Language:	
Prior Council Action:	
For More Information:	Kevin Johns, Director / Economic Development Department, 512-974-7802; Margaret Shaw, Economic Redevelopment Program Manager / Economic Development Department, 512-974-6497
Council Committee, Boards and Commission Action:	
MBE / WBE:	
Related Items:	

Additional Backup Information

Approval of this action will authorize the Economic Development Department to be the lead applicant for \$1,007,185 from the U.S. Economic Development Administration (EDA), a bureau of the U.S. Department of Commerce to increase office and production facilities at the Austin Studios. The campus is leased to and managed by the Film Society of Austin, Inc., which does business as the Austin Film Society (AFS). The City is the lead applicant with AFS as the co-applicant to EDA.

As part of the City's 2012 General Obligation Bond program, Proposition 18 for Library, Museum and Cultural Arts Facilities included \$5.4 million to expand Austin Studios, the City-owned buildings that are leased and operated by AFS. Pursuant to an agreement previously approved by Council, the 2012 bonds are being used for site

improvements, such as drainage, security, and access, and the portions of the work to renovate the former National Guard armory and make it a creative media hub for film and creative media businesses, including anchor tenants, small business suites, and AFS offices. The \$1 million from EDA will enhance the Austin Studios expansion by allowing AFS to convert the helicopter hangar within the Armory to a soundstage, offices and storage space. This funding will be leveraged with \$5.4 million in City bond funds and \$1.5 million in private funding raised by AFS.

The AFS has a 50 year lease with the City at the former Texas National Guard buildings at the former Robert Mueller Municipal Airport. The expansion of Austin Studios is a partnership between AFS and the City. Austin Studios is managed by AFS and is used for the production of films, television programs, commercials, multi-media productions, and other creative media. AFS's offices, screening room, and meeting rooms are located at Austin Studios, bringing over 4,500 visitors to the studio lot annually through exhibition, education, and artist services programming. In 2013, the City reconfigured the 20-acre site to include the former armory after the National Guard moved to new facilities near Bergstrom Airport.

The purpose of the EDA grant program is to help to fulfill regional economic development strategies designed to accelerate innovation and entrepreneurship, advance regional competitiveness, create higher-skill, living-wage jobs, generate private investment, and fortify and grow industry clusters. The creative sector, including film, television, and commercial production, is one of the target industry clusters identified in the region's Comprehensive Economic Development Strategy.