



MEMORANDUM

TO: Mayor and Council Members

FROM: Kevin Johns, Director
Economic Development Department

DATE: October 10, 2017

SUBJECT: Red River Pilot Update

Background: The Red River Cultural District music venues are important to the local culture and live music industry, but rising property values and rents are making it challenging for them to remain viable. The City is committed to ensuring that these venues continue to serve as incubators for local musicians and protecting the quality of life for residents and visitors.

In January 2017, City Council approved a pilot program (Ordinance No. 20170126-019) that temporarily allows five outdoor venues within the Red River Cultural District to play outdoor amplified music one additional hour on Thursday, Friday, and Saturday nights from May 1, 2017 through November 1, 2017. During the pilot staff is collecting data to determine the impact of extended live music hours on venues, local musicians, businesses and residents.

Evaluation: The results so far show the venues earning more revenue, venue staff and local musicians getting paid more, sound impact being managed effectively, and significantly improved communication and relationships between venues and nearby neighborhoods. The findings below reflect data collected during the May–September 2017 period and are compared against baseline data from the same period in 2016 where possible:

- Venues are earning more revenue, venue staff are being paid more, and the total amount paid to local musicians has significantly increased.
- No quantifiable or measurable sound impact to the neighborhoods. There were seven times when music was audible outdoors in the neighborhoods north of the University of Texas, however that did not correspond with increased decibel levels in the neighborhood.
- The addition of the night and weekend staff, hotline cell phone, and expanded communication between venues and residents have provided increased responsiveness to neighbors and significantly improved relationships.
- No discernable link between an increase in crime and the pilot.

Recommendation: Staff believes that we have sufficient data to evaluate the pilot and begin the process of developing and making a final recommendation. Staff recommends that the pilot be extended an additional six months and that as a next step we continue presenting the data to stakeholders and gathering comments and feedback, and work with all stakeholders to develop a final recommendation as soon as possible. This recommendation is consistent with stakeholder feedback.

Methodology: The Music and Entertainment Division (MED) is measuring the economic, sound, and public safety impacts related to the pilot program. There is a lag time of up to 45 days to receive data from cooperating departments and agencies, therefore not all of the data for the pilot is available through September.

Economic Impact

Staff is measuring mixed beverage tax revenues as reported by the state comptroller's office, as well as the dollar amount of gross ticket sales, total number of tickets sold, amount paid to staff, number of local/regional acts, and total amount paid to local musicians.

Sound Impact

Staff is utilizing full spectrum sound monitors to measure sound data at the participating venues, neighborhood homes, and hotels. Sound complaints are also measured by tracking the number of 3-1-1 calls and calls to the Red River Extended Hours Pilot hotline.

Crime Impact

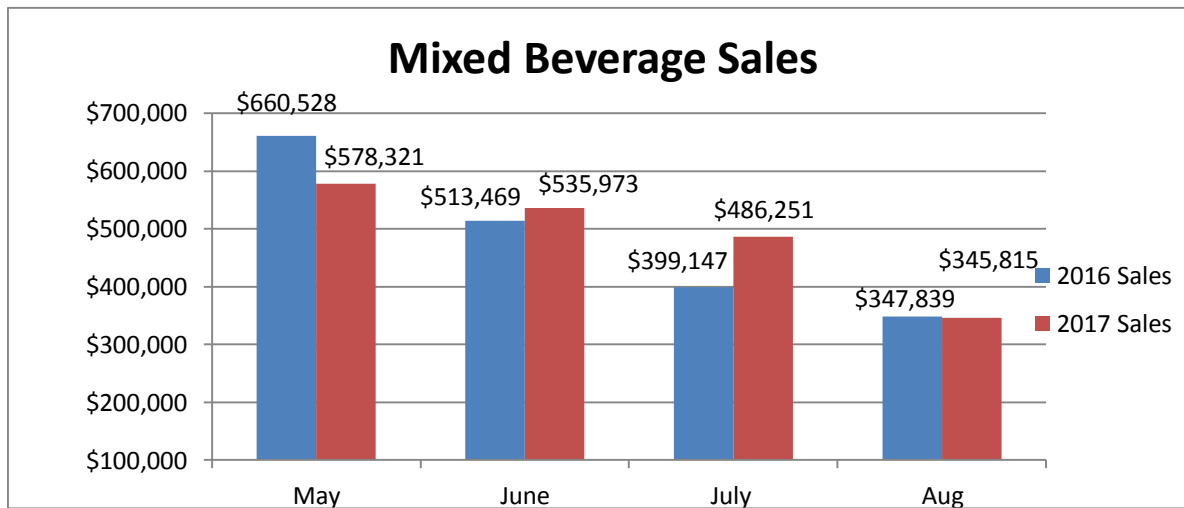
To analyze crime impact, staff uses reports provided by APD listing the number of crimes in the District each month.

Economic Impact:

Venues are earning more revenue, venue staff are being paid more, and the total amount paid to local musicians has significantly increased.

		Baseline	Pilot	
		May-Aug, 16'	May-Aug, 17'	% Change
Aggregate Reported for District	Dollar amount gross ticket sales	\$2,060,036	\$2,111,984	3%
	Total number of tickets sold	91,913	79,543	-13%
	Amount paid to staff	\$1,185,369	\$1,245,990	5%
	Number of local/regional acts	1,507	1,665	10%
	Total amount paid to local musicians	\$253,325	\$309,327	22%

While mixed beverage sales fluctuated among the venues, overall, sales decreased in May, increased slightly in June and significantly in July, and remained the same in August compared to 2016.



Sound Impact: Overall, there was no quantitative sound impact on nearby neighborhood residents that can be detected by a sound meter. The sound monitor data (see below) from a residence that was tested nine times during the pilot provides the best sample size. The average decibel level during the loudest hour of the day at this home was under 45 dBA (consistent with a quiet urban area at nighttime), and there was no difference in decibel levels during the daytime compared to performance hours.

Even though they didn't register on a sound meter, there were occasions when neighborhood residents heard music coming from downtown. During the first five (5) months there were seven (7) nights when neighbors called the Hotline to report music that could be heard in the neighborhood.

The night/weekend staff has become a resource for residents. This staff person answers phone complaints, investigates, and attempts to resolve sound issues in real time. Communication between neighbors and venue managers has improved, and the staff team and stakeholders are committed to continuing to expand on this throughout the pilot and formalizing a structure to make it permanent.

Sound data was gathered every Thursday, Friday and Saturday at pilot venues on a rotating basis. The data from the venues shows that the average decibel level at the venue property line during the loudest performance hour of the night is well under the 85 dBA maximum.

Sound Monitor Data:

Neighborhood Residential (East 34th Street Home)

Average Decibel Level during the loudest hour of the day

Overall all day average	42.6 dBA	59.6 dBC
Daytime hour average	42.1 dBA	59.5 dBC
Performance hour average	43.1 dBA	59.6 dBC

5 of the 9 loudest hours were during daytime hours; 4 of the 9 were during performance hours

Pilot Venues

Average Decibel Level during the loudest performance hour

Venue	dBA	dBC
Cheer Up Charlies	77.1	88.8
Empire Control Room	75.1	86
Mohawk	80	88.7
The Sidewinder	77.7	86.4
Stubbs	70.4	81.3

*The sound level limit is 85 dBA

311 and Hotline Data:

- The number of 3-1-1 sound complaints has been small, with seven (7) reported, there were four (4) 3-1-1 sound complaint calls made during the same time period in 2016.
- APD received four (4) noise complaints between May and July in the Red River District during pilot hours, there was one (1) noise complaint during the same time period in 2016.
 - Overall, the number of 3-1-1 and APD sound complaints was small in 2016 and remains small in 2017. The slight increase in noise complaints may be related to the neighborhood outreach staff is conducting for the pilot including promoting the use of 311 and the hotline phone number.
- There were seven (7) nights between May and September that we received calls to the Red River Pilot Hotline from neighbors to report that music could be heard in the neighborhood.

Crime Impact:

There was an overall increase in crime reported by APD in the Red River District including daytime and pilot hours, which APD attributes to the ongoing K-2 crackdown that began in May.

The data does not suggest a link between crime and the pilot. The MED team will request more details about the individual crimes reported in the area during the pilot hours for the final report to determine if additional conclusions can be made about links to K-2, the pilot, or other factors.

Timeline and Next Steps:

- **September, 2017**
 - City staff evaluated the pilot program prior to the conclusion of the first 6 months
- **October 2, 2017**
 - City staff presented an update and evaluation to the Music Commission with information based on data and stakeholder input
- **October 4, 2017**
 - Focus group held with venue and neighborhood representatives with all stakeholders in attendance agreeing on the approach of extending the pilot and working towards a final recommendation as soon as possible
- **October 9, 2017**
 - City staff to distribute a memo to Mayor and City Council with an update and evaluation based on data and stakeholder input

- **October 19, 2017**
 - Item placed on City Council agenda to consider extending the pilot program. (per Ordinance No. 20170126-019)
 - City Staff proposes that the pilot be extended an additional six months and that we work with all of the stakeholders to come back with a final recommendation as soon as possible.
- **November 1, 2017** – Plot program ends unless extended by City Council

If you have any questions regarding this request, please contact Brian Block, Entertainment Services Manager at 512-974-7966.

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