




MEMORANDUM

TO: Mayor and Council Members

FROM: Rebecca Giello, Interim Director
Economic Development Department 

DATE: March 7, 2018

SUBJECT: Red River Pilot Update (per Ordinance No. 20170126-019)

The purpose of this memorandum is to provide an update on the most recently completed 90 day period review of the Red River Extended Hours Pilot Program that is produced by the Economic Development Department's Music and Entertainment Division.

Background:

The Red River Cultural District music venues are important to the local culture and live music industry. 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, the City Council approved a pilot program (Ordinance No. 20170126-019) that temporarily allowed 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. The pilot was extended an additional six months to April 30, 2018. During the pilot, staff is collecting data to determine the impact of extended live music hours on venues, local musicians, businesses and residents.

Summary: The results after nine months continue to show the venues earning increased revenue; venue staff and local musicians with increased earnings; sound levels being managed effectively, and improved communication and relationships between venues and nearby neighborhoods. The findings provided in this report reflect data collected during the pilot 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 increased.
- No quantifiable or measurable sound impact to the neighborhoods are reflected in this review. There were twelve nights when residents north of the University of Texas at Austin reported that music from downtown was audible; 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 communications between venues and residents have provided increased responsiveness to neighbors and significantly improved relationships.
- Neighborhood stakeholders and venue representatives continue to meet and are working towards consensus on a final recommendation to the City Council.
- No discernable link between the pilot and crime is noted in staff's review.

Methodology: The Music and Entertainment Division is measuring the economic, sound and public safety impacts related to the pilot program. There is a lag time to receive data from cooperating partners, departments and agencies; therefore not all of the data for the pilot is available through January 2018.

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

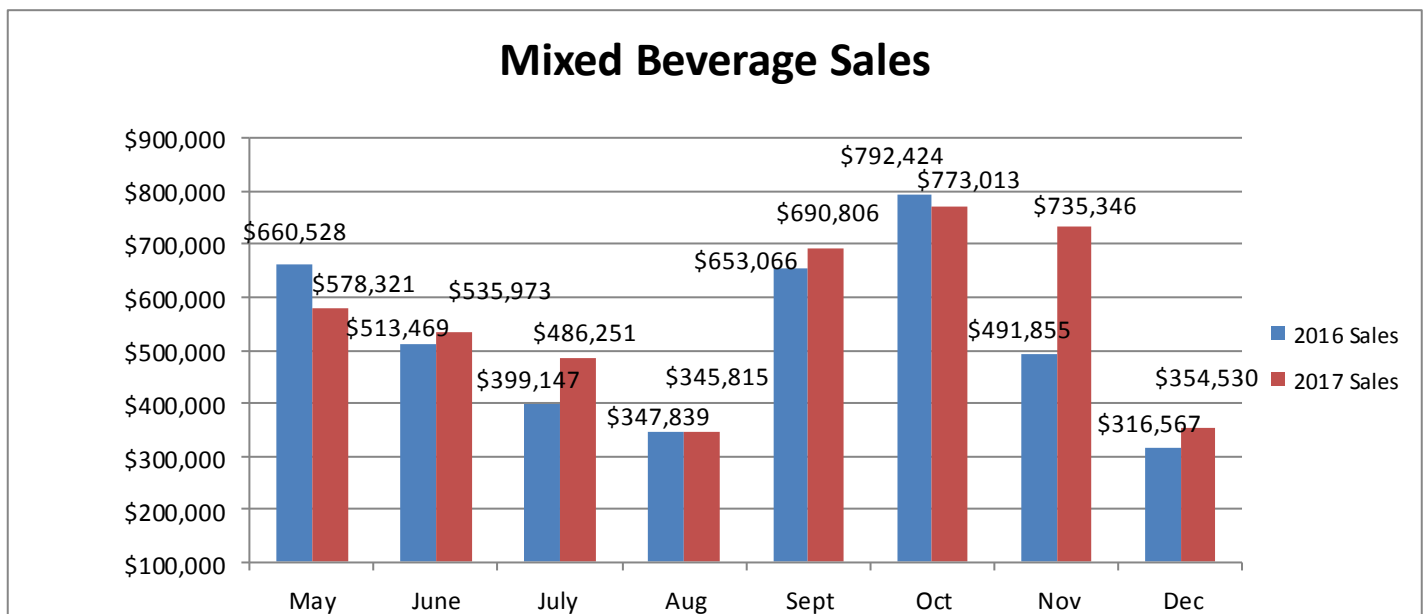
To analyze potential crime impact, staff uses reports provided by APD listing the number of crimes in the District each month.

Economic Impact:

Venues are earning more revenue; venue staff are being paid more. The total amount paid to local musicians has increased.

Aggregate Reported for District	Baseline	Pilot	
	May-Oct, 16'	May-Oct, 17'	% Change
Dollar amount gross ticket sales	\$3,730,752	\$3,958,511	6%
Total number of tickets sold	154,323	145,933	-5%
Amount paid to staff	\$1,785,732	\$1,838,629	3%
Number of local/regional acts	2,249	2,329	4%
Total amount paid to local musicians	\$432,062	\$454,694	5%

Staff has analyzed eight months of mixed beverage sales data. The graph below compares sales for each month of the pilot to the same month of the previous year. Overall, the data shows an 8% increase in mixed beverage sales from \$4,174,895 (May – December, 2016) to \$4,500,055 (May – December, 2017). Five of the eight months showed an aggregate increase in sales.



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). There was no difference in decibel levels during the daytime compared to performance hours. Even though the decibel levels didn't register on a sound meter, there were occasions when neighborhood residents heard music coming from downtown. During the first nine (9) months there were twelve (12) 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 and investigates sound issues in real time. Communications avenues between neighbors and venue managers has improved, and the Music and Entertainment Division staff members and stakeholders are committed to continuing to expand on this throughout the pilot and formalize a structure to make it permanent.

Sound data was gathered on Thursday, Friday and Saturday nights 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	76	89.3
Empire Control Room	74.5	86.9
Mohawk	79.1	87.8
The Sidewinder	76.1	84.8
Stubbs	73.9	84.9

*The sound level limit is 85 dBA

311 and Hotline Data:

- The number of 3-1-1 sound complaints decreased slightly during the first nine months of the pilot compared to the same time period in 2016. There were twenty-two (22) 3-1-1 sound complaints from May 2017 through January 2018, while there were twenty-four (24) 3-1-1 sound complaint calls from May 2016 through January 2017.
- There were twelve (12) nights between May 2017 and January 2018 that calls were received on 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 police effort to address drug related incidents in the area around the Austin Resources Center for the Homeless (ARCH). While the overall number of crimes reported in the pilot area increased by 50 (from 190 to 240), the number of crimes related to drugs, possession of controlled substances and drug paraphernalia went up by 63 (from 25 to 88). The data does not suggest a link between the pilot and crime.

Next Steps:

As was noted in the memo to Mayor and Council on February 21, 2018, the following timeline provides staff's recommended actions in order to bring a proposed ordinance for City Council consideration no later than April 12, 2018:

- **May 1, 2017** – Pilot program began;
- **October 19, 2017** - City Council agenda to consider extending the pilot program (per Ordinance No. 20170126-019) – Council extended the pilot an additional 6 months;
- **February-March, 2018** – Complete the stakeholder process and evaluation of the pilot program;
- **April 2, 2018** (proposed date) - Present evaluation and recommendations to the Music Commission; and
- **April 12, 2018** (proposed date) – Present evaluation and recommendations to City Council.

If you have any questions regarding this request, please contact Erica Shamaly, Music & Entertainment Division Manager at 512-974-7821.

xc: Spencer Cronk, City Manager
 Elaine Hart, Chief Financial Officer
 Greg Canally, Deputy Chief Financial Officer