



**RCA
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 7
AGENDA DATE: Thu 09/30/2004
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SUBJECT: Authorize negotiation and execution of a contract with Austin Music Partners, Inc. to operate, as the City's designee, the City's channel for the exhibition of programming concerning Austin music.

AMOUNT & SOURCE OF FUNDING: N/A

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING Economic Growth and **DIRECTOR'S**
DEPARTMENT: Redevelopment Services **AUTHORIZATION:** Sue Edwards

FOR MORE INFORMATION CONTACT: John Stephens, Chief Financial Officer

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: Reviewed September 23, 2004, by the Telecommunications Infrastructure Committee.

PURCHASING: N/A

MBE / WBE: N/A

In 1994, the City of Austin committed to promoting Austin's music culture by establishing the Austin Music Network, by funding music programs of the Austin Convention and Visitors Bureau, and by coordinating and recommending policies through the Austin Music Commission that help showcase local music venues and local musicians and that stimulate related economic development.

From 1994 to 1998, the City operated the Austin Music Network as a City department. On September 3, 1998, Council approved a contract with the Music Management Group to operate the network. This contract was assigned on November 1, 2000, to the Kenneth Threadgill Music Project, which has operated the network since that date through September 30, 2004.

Austin Music Partners, Inc. (AMP), a private Texas for-profit corporation has proposed to operate the music network as a commercial venture, exclusive of any governmental support. AMP has committed that the network will be expanded immediately from approximately 170,000 subscribers to approximately 320,000 subscribers and has further committed that it will continue to meet the City's original goals of supporting and promoting local and regional music and arts and entertainment as described in the contract and related exhibits.

AMP will operate the music network as the City's designee. The term of the agreement will begin on October 1, 2004 and end on August 31, 2012. The agreement may be extended upon mutual agreement but no longer than through July 31, 2018 without the express authorization of the City Council.

Upon termination of the agreement, the channel will revert to its former status under the City's franchise agreements.