

THE AUSTIN MUSIC PLAN

"BUILDING THE MUSIC CAPITAL"

Our live music scene is in trouble and needs our help. For a city that calls itself "The Live Music Capital of the World" the city does very little to actually support our namesake industry. In fact, it would be a fair assessment to say that the live music scene in Austin exists and survives in spite of the lack of true support - not because there is any. The situation has gotten to the point that Austin is in real jeopardy of having to take its signs down and change its slogan. The extensive recent Austin Music Census says this loud and clear. It says we are at a true crossroads and have a choice to make - we either step up and effectively support our live music industry or allow it to slip away.

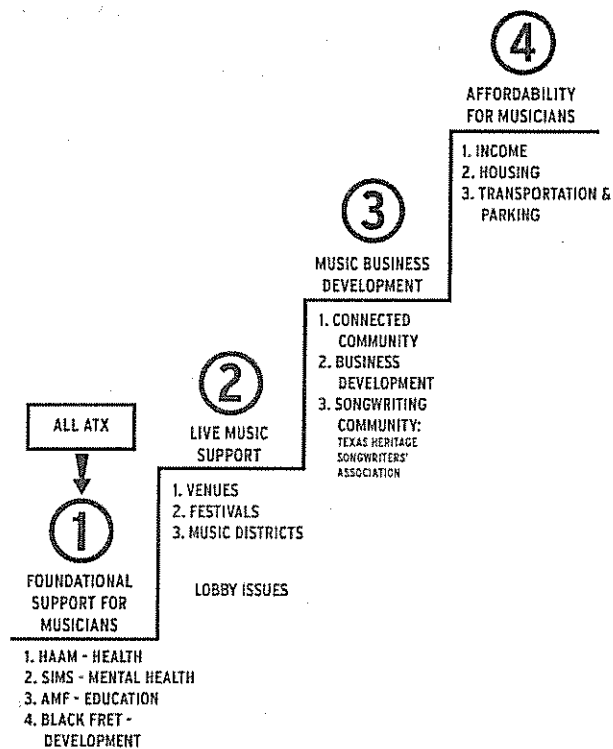
This plan is for those who want to save it. After long-term research, analysis of the Austin Music Census, and extensive interviews with many of the key players in Austin; a simple plan emerged that we believe could be a short and long-term solution for keeping Austin The Live Music Capital of the World and helping it become a growing music hub for years to come.

The Problem: Almost all of the pieces and players to revitalize and protect our live music business already exist. The challenge is that neither a comprehensive music plan nor centralized leadership has ever existed.

THE PROPOSED ROAD MAP

The quickest solution lies in the private sector beginning and advancing a plan and then collaborating with the City and State to sustain these solutions. We propose a simple plan that targets four areas:

- 1. FOUNDATIONAL SUPPORT FOR MUSICIANS** that includes Health Support, Business Education, and Career Development. The first thing a music city must do is make sure that fundamental support for medical services (both physical and mental), effective "best practices" business training for business growth and timely financial aid for deserving rising stars is in place. The 4 charities to do this are already in place (HAAM, SIMS, AMF and Black Fret) and simply need additional mentoring and funds. Our musicians need our foundational help.
- 2. LIVE MUSIC SUPPORT** for the local businesses that provide live performance outlets. Austin already has the venues, festivals and music districts necessary to have the most exciting live music performance environment in the world. They simply need key regulatory and minimal financial assistance to be sustainable over time. Our live music businesses need our help.
- 3. MUSIC BUSINESS DEVELOPMENT** around intellectual property. Songwriting is the basis of the music industry. To keep our musicians in our city as their careers take off they must have a robust music business community that can go to work for them. Making our city attractive to these businesses is the most important step in holding onto our artists over time. Our music businesses need our help.
- 4. AFFORDABILITY FOR MUSICIANS** to be able to live in Austin. The key areas are income, housing, and transportation and parking. Our musicians need our financial help.



Census notes/Key Facts

1. **Foundational support for musicians**
 1. Health
 - a. 18.9% of musicians do not have health coverage/insurance. 12.4% receive it from HAAM. (p. 93)
 2. Education
 - a. Weakest Skill areas: App/Software, Financing or Venture Capital, Manufacturing, Film/TV Composer, Music Legal Issues, Advocacy, Lobbying, Music Arrangement, Radio Production. (p. 41)
 - b. 41% believe there is a lack of city or nonprofit resources for established pro level artists. (p. 100)
 3. Development
 - a. "40% of all full-time musicians – with no other sources of income - are earning \$15,000 or less in pre-tax annual income, and nearly 2/3 are earning less than \$25,000. (p. 25)"
 - b. 20.5% are below Federal Poverty level, Over 50% qualify for section 8 housing subsidies, Approx. 75% are below the Austin MSA Area Mean annual wage. (p. 25)
2. **Music Business Environment - Venues, Festivals, Districts**
 - a. Venues
 - i. "For perspective, one venue respondent said that planned improvements they hope to make would wipe out all profit for three years. Another venue manager pointed out that it would be futile to invest \$500,000 in a business only to make that investment back in five years but be priced out of their lease in year six. (p. 61)"
 - ii. "Short-term leases make it difficult for venues to justify investing in costly fixtures and other leasehold improvements (such as building a patio, refurbishing old bathrooms, installing high-quality sound equipment). (p. 62)"
 - b. Festivals
 - i. At least 12 different permits are required in order to host a temporary event. Additionally, for city-owned, public space, or parkland many additional permits and plans are required (p. 71).
 - ii. "In addition to the challenges in navigating the permitting system outlined above, there is another concern amongst focus group members and interviewees about changing regulations from various departments, and the lack of a clear notification system to inform permit holders about any changes to permitting requirements that allow operators to stay in compliance. (p. 71)"
 - c. Districts

- i. "Expensive lease contracts and operating costs may break up live music venue clusters. (p. 61)"

3. Commercial Development of the music business

1. "So it would appear that a key issue for Austin Music Industry economic growth may be in creating better opportunities for growth of entrepreneurs and small business operators, who support the ecosystem of industry growth. (p. 46)"
2. "It is interesting that the highest ranked Idea or Proposal – at nearly 70% responding "Extremely or Strongly Helpful" – is "The Creation of a Music Industry Central Hub/Building with Affordable Co-Working Space, Meeting Rooms, etc. (p. 55)"

4. Artist Affordability

1. Income

- a. "40% of all full-time musicians – with no other sources of income - are earning \$15,000 or less in pre-tax annual income, and nearly 2/3 are earning less than \$25,000. (p. 25)"
- b. 20.5% are below Federal Poverty level, Over 50% qualify for section 8 housing subsidies, Approx. 75% are below the Austin MSA Area Mean annual wage. (p. 25)

2. Housing

- a. "54% lack of affordable housing for rent (musicians 71% and music industry 75%). (p. 67)"
- b. "59% lack of affordable housing for purchase (musicians 68.6% and music industry 71.5%). (p. 67)"
- c. 56.8% of musicians rent. 43.2% of musicians own. (p. 93)

3. Transportation

- a. "61.5% insufficient safe, late night public transportation (musicians 65% and music industry 69%). (p. 67)"
- b. "Austin musicians may have reached a tipping point due to increasing economic hardship. It may no longer be realistic or sustainable for musicians to stay, even if they would prefer to not relocate. (p. 33)"

The Census is available at:

<http://www.austintexas.gov/department/atxmusic-census-and-needs-assessment-survey>

They nonprofit offering to funnel HOT funds to music orgs is ALL ATX, headed by Gary Keller.

<http://allatx.org>