

RESOLUTION NO. 2020XXX-XXX

WHEREAS, the City Council has passed numerous resolutions to support the Music Industry and Musicians; and

WHEREAS, on March 3, 2016, Council approved Resolution No. 20160303-019, the Music and Creative Ecosystem Omnibus Resolution, which affirmed support for the music and creative ecosystem through short and long term goals specific to cultural tourism, revenue development, and venue retention; and

WHEREAS, Resolution No. 2020XXXX-XXX directed the City Manager to create a category of funding from the CARES Act designed by Resolution No. 202000423-023 for *Commercial Loans for Economic Assistance & Recovery Economic Injury loans, grants, and technical assistance* for local and small businesses for music venues given the difficulty they face in accessing resources available to other small businesses; and

WHEREAS, the City Council recently approved in June 2020 the City's COVID-19 Spending Framework and included funding appropriate for musicians and music venues: \$16.5 million for Commercial Loans for Economic Assistance and Recovery (CLEAR fund); \$2 million for a Long-Term Stability Fund; \$3.5 million for Creative Sector Assistance; and

WHEREAS, the City Council approved Ordinance No. 20190919-149 that creates a "Live Music Fund" which allocates the use of hotel occupancy tax revenue

for local music and it is estimated that the Live Music Fund currently has close to \$2 million; and the Live Music Working Group appointed by the Austin Music Commission has identified funding categories that include venue preservation; and,

WHEREAS, the Hobby School of Public Affairs in a July 2020 survey found that more than half of Austin’s music venues have remained closed since Mid-March and the few that opened in June after state regulations were relaxed were primarily music venues with large outdoor courtyards; and, that more than half of Austin’s music venues are at risk of shuttering for good by Halloween; and, the survey shows that live music venues have the largest proportion of businesses that rent their business property; and according to the survey 62% of live music venues report being able to last only four months or less under current conditions; and, a mere 19% of venues were in a position to pay their rent in full for June and 79% said they had put off paying bills to their landlords, suppliers or vendors and a staggering 83% of venue reported already laying of full-time employees;

WHEREAS, the Hobby School July survey also found that an average of 30% of live music industry employees were African American and Latino employees and 42% were women employees in the live music industry; and

NOW THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

Of all the local industries surveyed by the Hobby School of Public Affairs, Austin’s music venues are the most imperiled because of the COVID-19 pandemic and were the first businesses to close and will likely be the last to open. The City of Austin intends to remain the Live Music Capital of the World by supporting near-

term relief and long-term investment in its music economy, including musicians, venues, and industry professionals.

BE IT FURTHER RESOLVED:

The City Council desires to expedite the creation of a Venue Preservation Fund by amending the City Council’s approved COVID-19 Spending Framework to bring about a total of **\$5,250,000** in immediate designated funding for Live Music Venues as follows:

- Immediate use of \$3,750,000 in funding for Commercial Grants for Music Venues from the \$16.5 million CLEAR FUND that includes the following types of venues:
 - \$750,000 in grants for small venues (<300 capacity) for fixed costs including rent, utilities, and other costs.
 - \$750,000 in grants for medium sized venues (>300 and <500 capacity) for fixed costs including rent, utilities, and other costs.
 - \$1,500,000 in grants for large sized venues (>500 capacity) for fixed costs including rent, utilities, and other costs.
- Immediate use of \$500,000 in grants for venue long term lease stability funds from the LONG-TERM LEASE STABILITY FUND for landlords that agree to enter into favorable leases with venues that will deliver community benefit

- Immediate use of \$500,000 in grants from the \$3.5 million ECONOMIC RECOVERY CREATIVE SECTOR ASSISTANCE FUND to assist music venue creative workers working at venues financially impacted by the pandemic
- Immediate use of \$500,000 in grants from the \$2 million THE LIVE MUSIC FUND for streaming support for music venues that will in turn support musicians streaming their music as a community benefit. The grants will support venue streaming costs by hiring local music talent and offering programming that specifically targets diverse and underrepresented music genres, musicians of color, LGBTQ musicians, and female musicians. These grants may be used to retain music centric nonprofits by the music venues to assist in doing outreach to ensure adequate equity, diversity, and inclusion.

BE IT FURTHER RESOLVED:

The City Manager is directed to carve out the above funds from the designated funding sources and establish a Venue Preservation Fund and distribute funding as soon as possible. The City Manager is directed to ensure that any such efforts enhance accessibility for underrepresented communities in order to achieve equity and diversity in program outcomes.

ADOPTED: _____

ATTEST: _____