Championing Austin's Creatives
Strategic Plan for the Austin Cultural Trust

Erick Aguilera, Jessica Geiger, Sam Milton & Cooper Thompson

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ATTN: Anne Gatling Haynes
Chief Transactions Officer
Austin Economic Development Corporation
301 W. 2nd Street, Ste. 2030
Austin, TX 78701

Dear Ms. Anne Gatling Haynes,

Austin has long been a city championed by creatives. It is a city they have endlessly contributed to in ways that have reverberated across the globe, making Austin's arts and culture a recognizable trademark.

Millions of people visit Austin each year for festivals celebrating the contributions of creatives and is part of why Austin is known as the 'Live Music Capital of the World,' boasting over 250 music venues. In Austin, creativity provides the rich character and vibrancy of the city, and its creatives – everyone from artists to performers to owners and operators – have helped to form this reputation.

The rich culture and vibrancy have also contributed to Austin's growth. Unfortunately, as Austin has grown, and in turn the price of real estate and land has increased, creatives have been under greater financial stress and their biggest challenge has become acquiring and maintaining physical space.

When the Cultural Trust completed its inaugural round of requests for proposals from creative organizations who applied, it revealed over $300 million of unmet need from the creative community – a number that is surely too small as it only includes the organizations who applied – and is much larger than the Cultural Trust's originally allocated $16.9 million.

With the following strategic plan, the Cultural Trust will be better able to serve the vast unmet need in a way that accentuates its strength in real estate and development expertise, while also building its capacity to serve in a way that meets the needs and desires of community stakeholders.

Now more than ever, Austin's creatives need real estate and development support. The Austin Cultural Trust can play a key role in empowering creatives to not only remain in Austin but to thrive here. The Trust's work makes a measurable difference in the health of our creative ecosystem and allows creatives to flourish. When supported, the Cultural Trust has the potential to serve the creatives who have always served Austin.

Sincerely,

Erick Aguilera
Jessica Geiger
Sam Milton
Cooper Thompson

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Executive Summary

The Austin Cultural Trust is a community arts stabilization fund meant to secure affordable space for Austin creatives and creative organizations. Since its inception in 2018, its implementation has been slow to solidify. The first round of funding was just approved in 2022 by the Austin City Council to support the program's first two projects. We partnered with the Austin Economic Development Corporation to develop a strategic plan to guide the future operationalization of the Cultural Trust as it disseminates its first round of funding and becomes a fully-fledged program.

In our work to develop a strategic plan for the Austin Cultural Trust, we interviewed peer organizations across the globe to learn the best practices of arts-led economic development and the deployment of these types of programs. We interviewed stakeholders, capturing their perspectives and desires, including city employees, city council members, and creative organizations. We also consulted with leading economic development and subject matter experts, as well as the program operator, the Austin Economic Development Corporation, to establish the best tools for metrics and reporting. This discovery work was rounded out by our review of the arts-led development literature. This allowed us to identify what makes these programs successful, what will work in the Austin environment, and establish how important the mission of the Cultural Trust is to the overall health of Austin's creative ecosystem.

Through our research, we developed four overarching goals the Cultural Trust should use to guide its operations for the next five years.

1. **Adopt a Future-Oriented Vision for the Cultural Trust**
   - To ensure its sustainability and longevity, the Trust must adopt a proactive approach. Creatives, policymakers, and the community at large support a future-oriented vision, and the Trust is uniquely positioned to help propel Austin's creative community forward alongside the City of Austin.

2. **Foster Viable and Self-Sustaining Cultural Organizations**
   - For the Trust to garner future support, it must demonstrate its ability to support cultural organizations in a way that provides them with much needed stability. The Trust can and should leverage its expertise to help creative organizations thrive in Austin's challenging real estate and development market more sustainably.

3. **Facilitate Collaboration Amongst Austin's Creative Community**
   - To carry out its mission, the Trust must take an active role in facilitating collaboration amongst Austin's creative community. Collaboration among similarly aligned organizations, partners, and within the Cultural Trust is key to expanding capacity and ensuring the creative community is served in ways best suited to their needs.

4. **Promote the Story and Value of Austin Creatives**
   ○ The Trust's intimate understanding of Austin creatives gives it the unique opportunity to promote their stories and overall value. The promotion of creatives' stories and contributions will help to establish the importance of the Trust's mission and to garner future support. Ultimately, helping the Cultural Trust expand its capacity to serve creatives and creative organizations.

There is a great need for the Cultural Trust and its expertise. This creative-centered and expert-informed strategic plan will guide the Trust to success as it expands and grows into a program that can fill a gap currently left unfilled in the city.

Introduction to Strategic Plan: Championing Austin's Creatives

The Austin Cultural Trust was established in 2018 and designed to respond to the affordability crisis in Austin by supporting the ability of creatives to maintain and operate their own spaces. This has been a prevalent problem in Austin, where artists have been forced to leave the city[1], organizations have been forced to close[2], and the cost of physical space continues to rise substantially.[3]

The $16.9 million in initial funding allocated to the Cultural Trust by the City Council was meant to fill the gap left by the private market and one where the city government was unable to serve creatives in its capacity. With the mission to acquire new creative spaces and preserve existing ones, the Cultural Trust's initial round of proposals revealed an unmet need of $300 million dollars to support the creative community in Austin.[4] This number has likely increased since 2022 when it was calculated and only captures the organizations who applied.

As the Cultural Trust becomes a fully operationalized program, it has the opportunity to make a measurable impact on Austin creatives and their demonstrated need. With the right support, the Cultural Trust can help Austin's most vulnerable creatives with their biggest challenge: acquiring and maintaining affordable space. In turn, creatives and the creative economy will generate economic, community, and cultural benefits for the City of Austin.

The following report seeks to collate the best practices that make peer organizations successful, communicate the desires of the communities who benefit from and support the Trust, and demonstrate how the Cultural Trust's impact can be measured and reported. Ultimately, this report provides a framework which the Cultural Trust can use to guide its operations for the next five years and beyond.

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[1] Sound Music Cities. (2023). *Greater Austin Music Census 2022*. https://static1.squarespace.com/static/629ffa26288a045e9b02e837/t/63d9cd8533a519142c842ecc/1675218320842/2022+Greater+Austin+Music+Census+SUMMARY+REPORT+v1.3+optimized.pdf.
[2] Blackstock, D. (2021, January 19). "Music Lab St. Elmo to Close Within 30 Days". *The Austin Chronicle*. https://www.austinchronicle.com/daily/music/2021-01-19/music-lab-st-elmo-to-close-within-30-days/.
[3] Kirk, Silas. (2023, January 25). "How Much Does it Cost to Lease Office Space in Austin, TX?". *AQUILA Commercial*. https://aquilacommercial.com/learning-center/cost-to-lease-office-space-austin-tx/.
[4] Hernandez, J. (2022, December 1). "Millennium Youth Complex among first sites to get creative space bond funds". *Austin Monitor*. https://www.austinmonitor.com/stories/2022/12/millennium-youth-complex-among-first-sites-to-get-creative-space-bond-funds/.

Austin Cultural Trust

The Austin Cultural Trust was created in 2018 as a community arts stabilization fund dedicated to supporting local arts and culture organizations and preserving historic cultural landmarks citywide. The Trust was initially allocated $16.9 million, with future iterations of funding requiring support from the Austin City Council.[5]

The vision behind the Cultural Trust is to better ensure the long-term stability of arts and cultural organizations and venues by providing a stronger foundation of support to counter the steep rise of real estate costs in recent years. The Austin Economic Development Corporation (AEDC) was assigned to oversee the Trust in 2020 and has managed it as a real estate development fund, primarily purchasing long-term leases to conserve affordable spaces.[6] Identifying stakeholders and prioritizing community engagement has also been a hallmark of the program's early stages..[7]

The Cultural Trust is charged with using its funds to serve Austin's **creative community, which is comprised of artists, arts organizations, and venue operators**.[8] Despite having initial capital to support its work, the Trust lacks a long-term strategy to guide its usage of funds. It is currently in need of a well-informed plan to direct its priorities and effectively allocate its funds to meet the needs of Austin's creative community.

The Austin Cultural Trust is in Need of a Strategic Plan

At this juncture, the AEDC is working to identify how to use the Austin Cultural Trust most effectively. They have pinpointed a variety of ideas, including using the fund as a mechanism to provide short-term, patchwork solutions addressing problems as they arise, along with focusing more on long-term financial stability through additional sources of funding.

The creative community has played an instrumental role in creating Austin as we know it today, and unfortunately, they have been harmed by the city's transition from a regional cultural center to a national tech hub. Although the Cultural Trust and AEDC are the city's primary responses to preserve and restore these communities, these entities could serve the creative community more effectively with clearer operating principles.

This strategic plan will help the Cultural Trust reaffirm its operational priorities and become a more effective ally and supporter of the creative community. Guided by a thoughtful, evidence-based strategic plan, the Cultural Trust can better ensure that it garners future funding and has a more sustainable, long-term future.

[5] Austin Economic Development Corporation. (2022). "Austin Cultural Trust.". https://www.austinedc.org/cultural-trust.
[6] Ibid.
[7] Ibid.
[8] Ibid.

Arts Policy in Austin

The policy environment surrounding the Austin Cultural Trust can be divided into two categories: issues raised by other projects within the AEDC and issues raised by the City of Austin. The issues raised by other AEDC projects are more straightforward and relate largely to the allocation of AEDC resources.

Currently, the Cultural Trust is one of five AEDC projects, but those it interacts with the most are I-35 Connecting Equitably and Blocks 16 and 18 as all three center anti-displacement and anti-gentrification policies. For the Cultural Trust, this means that the AEDC's resources and attention to neighborhood stability and cultural preservation are split between these projects and therefore may not always be able to respond quickly or adequately to the Cultural Trust's needs.

The issues raised by the city itself are largely concerning gentrification, principally rising rent, property tax assessments, land control, and funding. Artists and creative organizations experience gentrification through displacement as the spaces in which they function become less affordable. As real estate in Austin continues to become more and more valuable, property tax assessments continue to raise property tax bills across the city, particularly in East and South Austin where new developments are concentrated.[9]

This poses a problem for the Cultural Trust, as its anti-displacement efforts clash with the idea that by preserving these neighborhoods from gentrification the City of Austin is leaving money on the table. Gentrification poses a large source of capital for the city and proponents see it as an easy way to get funding for other projects even if it comes at the expense of vulnerable populations.

These issues also connect to land control, as the city buying, operating, or leasing property can be read as government overreach into an area largely left to the private sector. While many of Austin's peer cities have experimented with government-managed models, there is still some hesitancy around whether or not such a framework can work in the Texan political environment.

This overall resistance to government expenditures on property management and preservation ties into one of the most pressing issues facing the Cultural Trust: funding. Much of the AEDC's funding comes from the city's general fund, as well as private partnerships, with no concrete promise of future city funding. This puts pressure on the Cultural Trust to finalize this first round of funding before the city council changes to a potentially less supportive set of council members. There is also lingering hesitance to fund many arts and culture-centered programs, as they're seen by some to be unproductive and do not require governmental support.

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[9] Rowland, Brett. Gantert, Tom. (2022, May 24). "Austin residents brace for higher property taxes as school enrollment declines". *The Center Square.*
https://www.thecentersquare.com/texas/austin-residents-brace-for-higher-property-taxes-as-school-enrollment-declines/article_28bd0c62-d619-11ec-8f8b-c7b46d4b55c6.html

While Austin has garnered an international reputation for its arts scene, spending both city and private funds to preserve the future of that community is a hard sell for those with political mindsets prioritizing more immediate and tangible results. Even though the city council is supportive at the moment and willing to see the long-term plan for the city's cultural future, that can change if a less supportive council is elected into office.

This political and governmental environment informed our scholarly research by identifying the core issues that the Cultural Trust is working to solve. By identifying these issues, we were able to land on arts and culture-led development as a framework, as well as become more aware of potential complications and pitfalls within this space.

The scholarship responds to the host of cautions and complications of arts and culture-led development by emphasizing the need for closely monitored and regularly evaluated participatory methods. Scholars qualify their critiques by noting that many pitfalls of arts and culture-led development can be averted if all communities in a given neighborhood are engaged and equitably allowed to participate in and shape the development program. By evaluating this participation, and adjusting if a problem is found, that development policy can avoid modes of bottom-up displacement.

Ultimately, while the literature points out the associated risks with arts-led development, the Cultural Trust was inherently designed to address several of those risks and thoughtful consideration given to the program's implementation could allow it to mitigate remaining concerns. We kept these unintended consequences and recommended mitigators in mind as we crafted our guiding research questions.

Research Questions and Methodology

In consultation with the AEDC, we developed a strategic plan that will outline the optimal goals for the Cultural Trust to pursue. To guide our research project and creation of a strategic plan, we designed the following research questions:

RQ1: How can the Cultural Trust be leveraged to serve Austin's cultural community?

This question is key to our analysis because it allows us to better comprehend the relevant academic literature, best practices, and perspectives to identify the most effective methods for operationalizing the Cultural Trust.

To answer this question, we conducted a discovery and engagement process to gain a deeper understanding of existing policy frameworks and key stakeholder perspectives. This involved interviewing peer organizations and key city stakeholders within this space as a means of establishing a clear foundational approach to address Austin's creative community needs more effectively.

RQ2: What are the best approaches for measuring impact?

Our second question deals with measuring the impact of the Austin Cultural Trust, which was cited as a primary objective based on initial conversations with the AEDC and is essential to measure the growth and sustainability of Austin's creative communities moving forward.

To answer this question, we analyzed innovative methods used by peer organizations to measure the impact of their initiatives and spoke to program evaluation and economic development experts to gauge their insight into how the Cultural Trust can establish more efficient processes to strive for successful outcomes.

Discovery Findings

Stakeholder Perspectives

In our conversations with the Cultural Trust Advisory Committee (CTAC), several key pain points emerged. These pain points centered around community siloing, distrust between creatives and city government, and the efficacy of the Trust's interventions.

Theme 1: Community Siloing
When asked to describe the cultural DNA of Austin, CTAC members described it as independent with a "do it ourselves" attitude borne out of a sustained lack of action on the part of the city. Unfortunately, this independence has resulted in the creative community being particularly siloed with little communication between artists and cultural organizations.

While similar organizations, such as two theaters or a collection of musicians, may communicate in regard to issues related to their specific cultural practice or medium, there is virtually no interdisciplinary communication within and amongst Austin's creatives. This siloing has resulted in many issues, the foremost being that the creative community has not been able to have serious conversations about how inequity manifests in creative spaces and the effects it has on marginalized creatives. This is especially true for creatives of color who are more likely to experience the effects of displacement and the ongoing affordability crisis.

This lack of discussion has created tension around preservation-focused language as it is seen by some creative cohorts as a means of preserving this existing inequity. Many of the venues that have both historically and presently featured, fostered, and served creatives of color and their communities are not regularly a part of the conversations around preservation, and as a result, these conversations have become tied into the existing questions around equity in the creative world.

Theme 2: Distrust in Government
CTAC identified a lack of trust between creative communities and the city government. Creatives feel as though the City of Austin has profited immensely from their work while denying them their share in that

prosperity. The city has attempted to reach out and support the creative community at different points, but creatives feel these attempts are hollow as there have yet to be any appreciable results.

Creatives described this as a "survey cycle" where they are brought in to give their input on a given initiative only for nothing to be done and be brought in again for another round of discussions on other projects several months later. This has in turn created exhaustion amongst creatives, as they feel that not only are they not being listened to, but that frequently these discussions result in them being asked to bear the burden of creating solutions for the city.

This exhaustion has fostered an action-focused ethos within Austin's creatives resulting in immense support for initiatives that incorporate feedback throughout implementation rather than frontloading community input before taking even preliminary steps.

Austin's creative community expressed a strong preference for place-based actions that allow creatives to form deeper connections with the communities in which they are situated as well as with other creatives in the same area. These initiatives include cultural districts, as well as introducing multi-purpose hub spaces that would allow creatives to more easily make connections with each other, but also recover some amount of the workable space that has been lost.

These hub spaces would also provide space for technical education services that would provide creatives with the knowledge necessary to effectively negotiate with their landlords, navigate funding applications, and refine the business-oriented skills that are necessary for proper fiscal and economic health.

Theme 3: Efficacy of the Cultural Trust

Throughout the discussions, city officials expressed a general belief that there are no inherent conflicts between the aims of the Cultural Trust and the City of Austin's development goals. This is encouraging as it dispels the concern that city officials would see arts and development as an either/or situation, continuing to relegate the creative sector as "nice to haves". However, this general support reaffirms the ideas echoed in our research that making special considerations for creatives during the planning process for large-scale development projects is not only possible but has a broad base of support across city government.

Both city council members and city staff expressed some cautions, particularly regarding future iterations of funding. The longer timeframe that arts and culture led development projects exist on gave many city officials pause as they did not feel that such timelines were proportionate to the Trust's length of operation. For as long as the Trust has been operating, city officials do not feel as though it has made significant enough progress on its projects. This has led to the belief amongst city officials that in order for the Trust to secure future funding and support, it will need to demonstrate its impact on Austin's creative community in more concrete terms.

Best Practices

In our interviews with peer organizations, we identified several common themes that emerged as best practices to pursue in support of creative communities. This includes establishing a nimble governance structure, providing opportunities for leadership and involvement of creatives, accessing private funding to provide greater flexibility in pursuing a variety of initiatives, and establishing and setting relationships and expectations respectively with potential developers interested in building creative spaces. We also identified that committing to traditional, ground-level community engagement will better ensure that the needs of creatives are met and adequately reflected in decision-making.

Theme 1: Governance

Our first theme taught us that governance plays an important role in an organization's ability to provide effective services to creative communities. For instance, the organizations that helped to identify this finding included artists in leadership roles within their governing boards. The Creative Land Trust in London has a governing board that is made up of fifteen trustees, including three artists.

In Seattle, the Cultural Space Agency's governance model contains a constituency that is made up of three committees. This includes a racial equity committee, an investments and partnerships committee, and a leadership development committee. Together, the three committees nominate members for the governing council and evaluate both real estate transactions and community partnerships. Additionally, the governing council is made up of eighteen cultural leaders, the majority of whom are people of color. This ensures that the organization remains committed to its principles of equity and inclusivity.

We also discovered that leadership structures helped each organization practice nimble governance. By serving as trustees on the governing board, the artist ambassadors of the Creative Land Trust can speak on behalf of the creative communities and advocate for their needs. Additionally, the constituency and governing council of the Creative Space Agency consistently work together to develop the mission values, policies, and procedures of the organization. Ultimately, both leadership structures provide artists with the opportunity to play a significant role in shaping the operations of the organizations.

Theme 2: Collaboration Expands Capacity

The second common theme from our interviews with peer organizations was the importance of collaborating with other entities to extend their impact. This included developing partnerships within the government, as demonstrated by the City of Boston's Office of Arts and Culture. This peer organization noted working with the city's offices of Housing, Economic Opportunity and Improvement, Neighborhood Services, and Planning and Development to broaden its expertise to support creative communities more effectively. Collaboration with the government was also prevalent for the Cultural Space Agency where the Mayor and city council members are actively involved in electing the agency's governing council and providing support to vet potential projects and transactions that the agency is interested in pursuing.

Theme 3: Nimble Sources of Funding

In addition, many of the peer organizations we spoke to emphasize the need for private and philanthropic funding as a key component of their ability to operate effectively. They noted the limits of solely relying on municipal funding to run their organizations, suggesting that the strings attached were often overly bureaucratic and contributed toward grinding projects to a halt. This point is specifically relevant to the Cultural Trust, given that the $12 million Creative Space Bond passed by the City of Austin in 2018 represents the majority of funding that the program has available to use.

Some organizations noted the importance of setting expectations with potential developers who express interest in building creative spaces. For instance, the Creative Land Trust in London prioritized in-person meetings with potential developers interested in building creative community spaces to better ensure they had a mutual interest in maintaining vibrant communities in the long term. Additionally, CulturalDC in Washington D.C. spoke to the leverage they have gained in establishing themselves as the go-to organization for arts and cultural development citywide, noting that they now play developers off of each other to strike better development deals.

Theme 4: Heterogeneous Community Engagement

Next, each of the organizations possessed innovative community engagement strategies centered upon becoming more familiar with their creative communities. The Office of Arts and Culture in Boston spoke to the importance of creating cultural districts throughout the city, both as a way to more easily access creative communities and to allow those communities a better chance to build stronger relationships and collaborate with each other. The Office also mentioned that establishing contact with creatives through the districts has allowed them to build a level of trust with the community and that creative community members often reach out to the Office through a variety of mediums, including text messages, phone calls, emails, and Instagram Direct Messages.

Many organizations also mentioned the effectiveness of utilizing more traditional styles of community engagement, including attending community meetings, going to faith-based organizations, and going door-to-door within communities to better understand their circumstances. Specifically, CulturalDC mentioned the perils of relying on technology through automated surveys and mass emails, as they discovered through engaging with council members representing certain wards in Washington D.C. that many neighborhoods do not have reliable access to the internet and technology.

Theme 5: Including Creatives in the Process

Another key component revolved around integrating creatives within the decision-making of the organization. Creative representation was especially important for the Cultural Space Agency and the Creative Land Trust, both of which made a point of including creatives within each level of the decision-making process. For example, the Creative Land Trust told us about how Artist Ambassadors in their program bring a much-needed perspective to planning and development discussions, referencing one instance when an artist mentioned the need for more adequate heating and cooling systems in creative spaces throughout London, a thought that the Board of Trustees had not previously considered.

Lastly, the organizations provided creative examples of how their engagement strategies are catered to the specific needs of their own creative communities. For instance, CulturalDC created a mobile art gallery housed in a shipping container that they transport to communities where opportunities to encounter art in their neighborhood are infrequent. Additionally, the Cultural Space Agency created a website that specializes in tracking affordable creative spaces for artists as they come on the market.

Metrics and Reporting

Our third element of discovery explored methods of tracking metrics and reporting them to demonstrate impact. Three themes emerged from our conversations with program evaluation and economic development experts, in addition to what the peer organizations do to track their progress. This includes the need to capture economic contributions, community and cultural benefits, and the importance of effectively communicating these metrics.

Theme 1: Economic Contributions are Significant

The economic contributions of a thriving creative community should be valued and are essential to reporting. We found that not only is it important to capture the creative community's economic contributions, but also the community and cultural benefits they provide. Finally, our discovery work demonstrated that communicating those metrics articulately by crafting tailored messaging for specific audiences is key to achieving buy-in.

For instance, in 2010, Austin's creative sector accounted for $4.35 billion in economic activity, $71 million in city tax revenue, and 49,000 jobs.[10]

Program evaluation and subject matters corroborated the importance of these contributions and their overall impact on a city. Simply put, when arts thrive – so does a city's coffers. This impact is meaningful to creatives, policymakers, taxpayers, and private investors.

Increased job creation, a larger tax base, and larger overall revenue generated are metrics that hold a lot of weight when making the case for the value of the creative community in Austin. This can also extend to the value of the Cultural Trust's work to help the creative community remain here. As Derek Fleming, one of our program evaluation experts, described, thriving creative communities produce "robust cultural infrastructure that represents revenue for the local government."

Our experts maintained that without a thriving ecosystem in which creatives can live and work, $4.35 billion in economic activity, 71 million in revenue, and 49,000 jobs here in Austin have the potential to disappear.

Theme 2: Community & Cultural Benefits are Provided by Creatives

It is crucial to not only consider economic contributions when measuring and reporting the Cultural Trust's

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[10] RIAA. (2023). "The economic impact of the creative sector in Austin | TXP".
https://www.riaa.com/reports/the-economic-impact-of-the-creative-sector-in-austin/.

work but also to recognize the "soft" benefits that stem from a flourishing creative ecosystem. These benefits are just as valuable and important for the Trust to measure and report. As Michael Seman, a professor at Colorado State University, said to us,

"[Arts is] one of the reasons why they decide to stay or move to a city."

These softer benefits provided by a thriving cultural layer encompass a wide range of potential metrics which the Cultural Trust could incorporate into its work.

- Provides opportunities for partnerships with educational institutions

- Positive impact on place-based communities

- Increases cultural diversity
    - Something mentioned in our stakeholder interviews and reinforced in the literature is the impact creative spaces, creatives, and the creative work itself has on people feeling more closely connected to their cultural identities. Having diverse places for people to practice their traditions and art forms contributes to a more culturally diverse Austin.

- Robust arts and culture scene attracts people to cities
    - People who engage with the arts, perform as artists, or learn from the arts play other integral roles in a city. For example, in Professor Seman's work, he found that musicians often work as medical doctors, commercial real estate agents, and educators among other professions essential to a city.

Historically, it has been more difficult to measure and report on these softer benefits. However, there are now ways to solidify these types of metrics. One such way is to incorporate the Aesthetic Perspectives framework, which works to quantify the impact of the arts in ways that capture its contributions beyond just the economic, including their impact on civics, community development, and justice.

Theme 3: Communication of Metrics and Reporting Matters
Finally, when it comes to reporting out all of the above-mentioned metrics, we learned that clear, consistent, and tailored messaging can make the best case for the Cultural Trust's work to the many players needed for it to be successful.

- *Creative Community:* Austin's creative community is looking for results. They need to be shown how the Cultural Trust uses its funding and what actions are being taken to keep creatives in affordable spaces.

- *Austin Community at Large:* Austin's broader community is not fully aware of the challenges that creatives are facing. Storytelling can be a useful tool to address this problem. While statistics may not

always resonate with people, learning about their neighbors' struggles to operate in Austin or how local creatives produce inspiring art can be especially meaningful.

- *Potential Partners:* There are a variety of partners the Cultural Trust can engage with to carry out its mission. It is important for the Trust to tailor communication to their needs and show them how they can play a role in supporting the creative ecosystem.

- *Private Funders:* Another throughline in our discovery work is the relationship that can exist between the Cultural Trust and private funders. The Cultural Trust's work can eventually be used to spur private funding into its mission by providing examples to demonstrate that investing in its projects is viable and safe.

- *City Leaders:* The Cultural Trust's success is intricately intertwined with Austin's City Council and specific themes for communicating and reporting to them emerged in our interviews and research.
    - City leaders identified three areas where the Trust must demonstrate its ability to garner future support:
        (1) Retention of creatives in Austin
        (2) Retention of inventory of cultural spaces in Austin
        (3) An overall thriving creative sector in Austin

Strategic Recommendations

Our discovery findings form the foundation of our strategic recommendations. Our recommendations can be summarized by the following:

1. Austin creatives face immense challenges when it comes to acquiring, affording, and operating spaces in Austin. These creatives play an integral role in the culture of Austin as a city — bringing in economic, cultural and community benefits.

2. The Cultural Trust was designed to help creatives maintain physical space in Austin, and its work will support the entire creative ecosystem. We know that this model can be successful based on the experiences of other peer organizations. We also know that diverse stakeholders support the Trust's mission and there are several ways to measure the impact of the Trust moving forward.

Our strategic recommendations will support the Trust as it becomes fully operationalized and will allow the Trust to carry out its mission to best serve Austin creatives. The goal is to ensure that creatives can not only remain in Austin but thrive in it. To achieve this, our recommendations center around **four foundational goals** that seek to advance the Trust's capacity and serve the needs of Austin creatives. These goals focus on adopting a future-oriented vision for the Trust, fostering self-sustainable organizations, facilitating collaboration, and promoting the value of Austin creatives.

Vision Statement

Our vision statement was crafted using the input of the Cultural Trust Advisory Committee, former Austin City Council members (integral to the creation of the Cultural Trust), and the Austin Economic Development Corporation.

This statement centers around creatives, who serve as the impetus for the Cultural Trust's work. It also focuses on the importance of maintaining the ability of creatives to thrive in Austin.

"To champion creatives and ensure Austin is a city where creative communities can thrive"

Key Values

There are three values we believe the Trust should use to guide its work in the coming years. These values were developed with the assistance of the Cultural Trust Advisory Committee, former City Council Members: Kathie Tovo and Anne Kitchen, as well as the Austin Economic Development Corporation.

- Creatives are integral to the future of Austin
  - We believe that creatives are integral to the future of Austin and have been throughout the history of the city. Much of the reputation that has attracted new residential and commercial interest is a direct result of the work done by Austin's creative community. Without a robust creative community, the City of Austin will not only fail to attract new residents and economic actors but may struggle to keep individuals who have already moved into the city. By strengthening the position of creatives, the Trust can help ensure that Austin remains a desirable place to move and build a life.

- Creatives deserve to share in the prosperity that the city has benefitted from
  - While Austin's rising affordability crisis signals growth and development, we believe that the creatives who contributed to the growth in the first place should share in the subsequent wealth that has been generated. Creatives have continually expressed their feelings of being exploited and taken advantage of by the city, and this has fueled their emigration to more affordable areas. The Trust enjoys a unique position where it can both connect creatives to emerging channels of prosperity and strengthen their ability to exert greater agency within those channels. By upholding this value, the Trust can ensure that creatives reap the full benefits of their work.

- The Cultural Trust is an active participant in a thriving creative ecosystem
  - If the Cultural Trust is to ensure that creatives benefit from the city's prosperity, it must also play an active role in supporting a thriving creative ecosystem. There is no end state in arts and culture-led development. There will continue to be new issues that challenge the stability of Austin's creatives. In order to ensure both that the vibrancy of Austin remains

throughout the city's evolution, and that said evolution doesn't prevent Austin's creative community from thriving, the Cultural Trust must remain in active contact with the creatives that rely on them. By remaining an active participant in the creative community, the Trust can continue to meet those issues as they arise and keep to the above vision and values.

Foundational Goals of our Strategic Plan

1. Adopt a **future-oriented** vision for the Cultural Trust

2. Foster **viable and self-sustaining** cultural organizations

3. Facilitate **collaboration** amongst Austin's creative community

4. Promote the **story and value** of Austin creatives

Goal 1: Adopt a Future-Oriented Vision for the Cultural Trust

The Trust needs to create a more sustainable framework for its future interventions by centering modes of thinking that facilitate forward-looking approaches. The following strategies and action items aim to help the Trust find new ways to think about its role in Austin's future and what opportunities for creative communities can be established over the long-term.

Strategy 1.1: Continue securing new cultural spaces
The Trust should conceive of its space-related operations, moving from a strictly acquisition model to a more encompassing security model. By expanding its scope beyond just acquiring cultural spaces, the Cultural Trust will develop a wider toolkit and remain flexible on a project-to-project basis.

By focusing on multi-purpose spaces, the Trust ensures that each new space it works to develop will maximize space for diverse creative organizations while also redressing the issue of siloing. The Trust must also be open to a wider range of methods by which creative and cultural spaces can be owned, operated, and managed. These methods, such as creating paths to ownership, will give creatives more agency over their space.

Action Items:

1. Secure multi-purpose spaces and encourage use by a variety of cultural communities and organizations
2. Use new spaces as a hub to redress siloing and recover workable real estate that has been lost

3. Be more inclusive of all mechanisms regarding management, ownership, and operation of spaces

Strategy 1.2: Integrate the Trust and its partners into city development projects

The Cultural Trust will become a greater presence in Austin's larger development process by keeping an eye on existing and upcoming cultural hotspots that tend to attract development in order to already be an active presence if or when developers arrive. By acting as an advocate and ombuds for creatives, the Trust will work with the creative community to identify what elements are necessary to best support creatives who live and work in those areas.

Using more abundance-focused language and thinking works to highlight what the creative community will gain from future projects and interventions. Abundance thinking helps to reinforce the idea that being present in future development projects will provide more opportunities for creatives across Austin. Reducing the usage of preservation language will also allow the Trust to continue adopting a future-oriented vision with equity in mind.

Action Items:

1. Identify and foster new and upcoming cultural hotspots across all of Austin while building on the successes of existing hotspots
2. Act as an advocate and ombuds for arts and culture interests in real estate and development projects
3. Emphasize abundance thinking and what can be gained by future development projects
4. Reduce the usage of preservation language in order to address community concerns around preserving inequity

Strategy 1.3: Incorporate more diverse funding sources

Bond dollars remain difficult to spend due to the large amounts of legal and bureaucratic red tape that must be cleared before any funding can be disbursed. This has artificially inflated the timelines on which the Trust's projects exist and by integrating more funding from private or philanthropic sources the Trust will reduce its dependency on these bond dollars and become a more flexible and nimble actor going forward.

Action Items:

1. Reduce dependency on bond issues and other inflexible dollars for primary funding
2. Integrate private sector and philanthropic sources of capital to increase the agility of the Trust's funds
3. Engage with city council and staff to bring more monetary control and delegate authority under AEDC's direct administration

Goal 2: Foster Viable and Self-Sustaining Creative Organizations

Maintaining a vibrant creative community in Austin is essential. To support a healthy creative ecosystem, we must equip creative organizations with the knowledge and resources necessary to navigate real estate and development challenges and establish long-term sustainability.

By fostering relationships between creatives and developers and making recommendations to policymakers, the Cultural Trust will facilitate the creation of affordable and sustainable spaces for creatives to work and thrive. Overall, this goal and its strategies highlight the importance of a flourishing creative community in Austin and aim to support its growth and development.

Strategy 2.1: Provide real estate and development technical assistance to creative organizations

Based on our discovery process, we learned that providing technical assistance to creative organizations is fundamental to the Cultural Trust's work because it can provide the necessary knowledge and skill sets to navigate the complex real estate and development environment. By adopting these practices, we highlight the potential benefits that technical services will provide to creatives and recommend the Cultural Trust provide this support to ensure that creative organizations operate efficiently as they become more viable and self-sustaining in the long run.

Action Items:

1. Develop a staffing plan and vision for the positions required to carry out the mission of the Cultural Trust i.e. program administrator; technical assistance provider; community engagement manager
2. Offer real estate and development programming, such as application support, site planning, program management/evaluation, permitting support, and landlord negotiations
3. Create an online platform to provide access to real estate and development resources

Strategy 2.2: Develop relationships between creatives and developers

To ensure the long-term success of creatives in Austin, the Cultural Trust must facilitate collaboration between creatives and developers. Building strong relationships between both groups will allow creatives to contribute to projects and plans and empower them to work toward preserving their creative spaces. This will lead to a self-sustaining creative ecosystem benefiting both parties and the wider Austin community.

Action Items:

1. Provide formal networking opportunities that connect developers and arts organizations for a better understanding of mutual interests
2. Offer workshops to build credibility and trust between creatives and developers
3. Host open house events that offer opportunities for creatives and developers to showcase their priorities and interests

Strategy 2.3: Serve as an expert witness to creatives' experience and make recommendations to advocates and policymakers

The Cultural Trust can address creatives' affordability and displacement issues in Austin by adopting an approach that leverages its connections to city leaders and policymakers to advocate for creatives. In turn, this will encourage developers to create affordable spaces for them and ensure a steady stream of financial support for creative organizations. The Trust will also expand upon Austin's existing policy frameworks to prioritize creatives and their spaces through these means. Ultimately, these approaches will provide creatives a better opportunity to prosper in the long run.

Action Items:

1. Identify existing incentives that can be applied to creative ventures and organizations
2. Identify chapters in the land code to incorporate more specific zoning categories and more refinement of uses to benefit creatives
3. Identify additional policy measures that would fund creative spaces on an ongoing and more permanent basis

Goal 3: Facilitate Collaboration Amongst Austin's Creative Community

Building a more cohesive creative community and establishing stronger partnerships with creatives and private funders were common threads within our conversations with peer organizations and stakeholders. The following strategies will support the Trust in finding new ways to operate more effectively and to develop approaches backed by insight from the creative community.

Strategy 3.1: Establish the Cultural Trust as a convener for Austin's creative organizations to discuss real estate and development practices

By acting as an umbrella organization to Austin's creative organizations, the Trust will help build a more cohesive creative community. Additionally, the creative community will use this platform to share insights and skills related to real estate development, which is essential as they work toward growing the knowledge needed to eventually own and operate creative space in the future. In pursuit of these goals, we recommend the Cultural Trust to host quarterly listening sessions to highlight diverse creative sectors in Austin and run an annual meeting to provide a forum for cross-collaboration between creatives.

Action Items:

1. Host quarterly listening sessions highlighting different creative sectors; alternating between music, visual arts, cultural organizations, etc. to allow the Cultural Trust to learn about the needs of each sector
2. Organize a gathering that provides creative organizations with a platform to collaborate and share their strategies for navigating Austin's real estate and development landscape

Strategy 3.2: Explore innovative, community-oriented solutions to govern the Cultural Trust more effectively

We recommend the Cultural Trust to integrate innovation and community into its operations. This will allow the Trust to continually center the people it is meant to serve, while also providing a roadmap to most effectively serve them. Ambassadors who serve as community liaisons, gaining feedback from the creative community, as well as becoming its own private entity are ways in which community and innovation will be better incorporated into the Trust's operations.

Several of the peer organizations emphasized the importance of having private funding sources to provide greater flexibility in how dollars are used. Separating from city control would also allow the Trust to place more focus on marketing and branding itself to the broader Austin community.

Action Items:

1. Elect a cohort of Cultural Trust Ambassadors
2. In the future, the Cultural Trust should separate from the AEDC and become its own incorporated entity

Strategy 3.3: Create place-based partnerships to enhance community engagement

This strategy is primarily based on our interviews with Boston's Office of Arts and Culture, which cites the city's cultural districts as a key component in the success of their work. Cultural districts allow cities to more clearly identify where creative communities live, work and collaborate. This would be especially helpful in Austin, where the creative community is currently siloed and more challenging to access. With a better sense of where creatives are, the Cultural Trust would have a better opportunity to get to know the community and build a broader foundation of support.

Action Items:

1. Pilot program for cultural districts; work with CTAC to establish cultural districts internally based on areas where creative communities already exist and other locations where they would be most effective
2. Advocate to the Texas Commission on the Arts to formally create cultural districts throughout Austin
3. Create community feedback channels to empower the creative community in these areas; have Ambassadors also represent different cultural districts

<mark>Goal 4: Promote the Story and Value of Austin Creatives</mark>

The demonstrable value of Austin creatives and their impact on economic, cultural, and community benefits came up again and again in our conversations with stakeholders. Everyone from program evaluation and arts

subject matter experts to members of Austin's City Council voiced their importance to the community more broadly.

Strategy 4.1: Prioritize sharing the Cultural Trust's successes

The Austin Cultural Trust has the potential to make significant improvements to the well-being of creatives and creative organizations in Austin. Our research suggested that sharing these success stories with audiences far and wide would be an effective approach to marketing the Cultural Trust.

The Cultural Trust's connection to struggling creatives in Austin gives them the unique opportunity to ensure their perspectives are heard. This includes stories of rehearsal spaces being lost, beloved music venues being vulnerable to rising costs of real estate, and so much more. Amplifying these stories will allow the Cultural Trust to relay its importance to stakeholders and attract potential partners to their work.

Action Items:

1. Develop a marketing/branding plan for the Cultural Trust to promote its work, progress and accomplishments
2. Utilize the Cultural Trust Ambassador network to spread the word about successful projects
3. Remain as transparent as possible about project pipeline, especially after projects are confirmed and can be detailed to the public
4. Create tailored communication for stakeholders

Strategy 4.2: Adopt a holistic approach to demonstrate the value of creative sector

To ensure future investment and maintain community buy-in, the Cultural Trust must find ways to measure the success of its work and illustrate the value of the creative sector. To prove that the Trust is an effective program and capture the benefits of funding its mission, it must adopt a holistic approach, capable of capturing all the rich benefits provided through the program.

Action Items:

1. Use the Aesthetic Perspectives framework to measure the value of funded projects and benefits provided by creative organizations
2. Engage in storytelling to capture the benefits of funded projects and benefactors of Cultural Trust dollars
3. Capture robust quantitative data that illustrates the impact of Cultural Trust and funded projects

Strategy 4.3: Center relationships with diverse partners to champion creatives

We recommend the Cultural Trust continue to form rich and diverse partnerships to champion creatives. This will allow the Trust to utilize every available resource to help creatives.

Partnerships give the Trust the opportunity to build its capacity to serve the creative community. Expanded capacity is necessary to fill the unmet need existing in the creative community. Building a portfolio of partners will allow the Trust to serve the most creatives possible and be able to focus on what it does best – real estate and development.

Action Items:

1. Maintain relationships with key city staff integral to the Cultural Trust process
2. Identify and develop elected officials who will be champions of the Cultural Trust on Austin City Council
3. Leverage Cultural Trust Advisory Committee members' relationships to expand partnerships
4. Create a development plan to identify new sources of funding
    Potential Partners: SXSW; ACL; National Funders

Conclusion

The Austin Cultural Trust has the opportunity to fill a gap unmet by the private market and the city's formal capabilities. Ensuring that Austin maintains its vibrancy and remains a place where creatives can thrive will require taking steps to support the creative community over the long term.

Although many creative organizations and spaces have had to close in recent years, it is worth striving to save the many important creative venues in Austin that remain, including nationally recognized theater organizations such as Rude Mechs and beloved historical venues like Antone's.[11]

Our research provided a framework for how the Cultural Trust can be successful over time. We also learned that Austin's creatives, policymakers, and the broader community support this work and want to help creative organizations to remain in Austin. Finally, we know there are effective ways to track this program's success, including monitoring for more square footage in creative spaces, more diverse areas for creatives, and an overall thriving creative ecosystem.

Simply put, we cannot allow creatives and cultural spaces in Austin to disappear, and we need to take opportunities to support them to better ensure their long-term viability. The Cultural Trust has a role to play in championing Austin creatives, particularly given that the creative community has never failed to champion Austin.

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[11] Blackstock, D. (2021, January 19). "Music Lab St. Elmo to Close Within 30 Days". *The Austin Chronicle*. https://www.austinchronicle.com/daily/music/2021-01-19/music-lab-st-elmo-to-close-within-30-days/.

LBJ School of Public Affairs & the Policy Research Project

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As part of their degree completion each student at the LBJ School must complete a Policy Research Project. This course requires students to work with a client to solve real-life policy problems guided by an LBJ faculty member: **Steven Pedigo**, a professor of practice and the director of the LBJ Urban Lab.

Our Team

Erick Aguilera is a Master of Public Affairs student in the LBJ School of Public Affairs. He is a Posse Foundation alum and a graduate of Cornell University with a major in Government and a minor in Law and Society. He has prior professional experiences in the public, private, and non-profit sectors. While attending the LBJ school, his focus has primarily been on urban economic development and urban public management. He is currently working as a Business Process Specialist with the City of Austin in their Public Works Department.

Jessica Geiger is a Master of Public Affairs student in the LBJ School of Public Affairs. Her work while attending LBJ has included state government, governmental relations, academic research on affordable housing, and reproductive health policy. Immediately before attending the LBJ School, Jessica attended the University of Kansas and received a Bachelor's degree in Communication Studies, with political science and public administration minors.

Sam Milton is a Master of Public Affairs student in the LBJ School of Public Affairs. He has worked for state and local government entities during his time at LBJ, including as an intern with the Texas General Land Office and the City of Austin's Housing and Planning Department. His policy interests center around affordable housing, urban economic development and international development. Prior to attending the LBJ School, Sam received a Bachelor's degree from the University of Maryland, College Park in Government and Politics and worked at an education nonprofit in Nashville, TN.

Cooper Thompson is a Master of Public Affairs and Master of Media Studies student. His work in both the LBJ School and the Moody College of Communication has focused on arts and culture policy, community engagement, and public media. Prior to attending the University of Texas, Cooper received Bachelor's degrees from Texas A&M University in International Studies and Telecommunication Media Studies with a minor in Japanese language and politics.

APPENDIX I – Literature Review

An Arts-Led Development Literature Review:
Frameworks to Support the Austin Cultural Trust

The Austin Cultural Trust, housed within the Austin Economic Development Corporation (AEDC), is a community arts stabilization fund created to maintain affordable spaces and cultural landmarks citywide as a way to support Austin's creative community and better ensure its long-term viability.[12] As part of developing a strategic plan to operationalize the Cultural Trust most effectively, we have explored the literature surrounding arts and culture-led development to help solidify the foundation of our recommendations. This literature review will (1) detail Austin's relationship with arts and culture, (2) define the creative class and discuss its impact, assess the state of the city's cultural ecosystem, and (3) identify unintended consequences that can arise from arts and culture-led development.

Arts and Culture: Integral to Austin's Identity

Austin's arts and culture scene is a key component of the city's vibrant identity. The city's creative community continuously attracts visitors from around the world. Two annual festivals alone, Austin City Limits and South by Southwest generate robust interest from the national stage and contribute positively to Austin's tourism industry and economy. In 2022, South by Southwest drew approximately 278,681 participants,[13] while the Austin City Limits festival contributed nearly $370 million to the city's economy in 2021.[14]

The creative community also fortifies the city's economy through increased levels of employment, household income, and local government revenue.[15] Simultaneously, these major events supply benefits to Austin's creative ecosystem by providing consistent platforms through which the creative community can be promoted and given the opportunity to thrive and create.

The creative ecosystem in Austin is also large and diverse. Commonly referred to as the "Live Music Capital of the World," Austin has claimed to have the most live music venues per capita in the country[16] and is home to over 250 music venues.[17] While the city's larger festivals are now headlined by more prominent performers, smaller independent artists of all mediums have historically been able to take root and prosper in the city as well, as evidenced by Austin's well-known, vibrant street art scene.[18]

[12] Austin Economic Development Corporation. (2022). "Austin Cultural Trust.". https://www.austinedc.org/cultural-trust.
[13] SXSW. (2023). "SXSW Event Statistics." explore.sxsw.com/hubfs/2023/Facts%20and%20Figures%20PDFs/2022_SXSW_Event-Stats.pdf.
[14] Thompson, Ben. (2022, May 10). "Report Shows ACL Contributed Record High $369.16 Million to Austin Economy, 2022 Lineup Announced." *Community Impact*. communityimpact.com/austin/central-austin/economy/2022/05/10/report-shows-acl-contributed-record-high-36916-million-to-austin-economy-2022-lineup-announced/.
[15] Americans for the Arts. (2021). "Arts and Economic Prosperity IV". https://www.austintexas.gov/sites/default/files/files/Redevelopment/TX_CityOfAustin_AEP4_FinalReport.pdf.
[16] Austin Relocation Guide. (2020, May 5). "Live Music Capital of the World". https://austinrelocationguide.com/live-music-capital-of-the-world/.
[17] Visit Austin. (2021, August 10). "20 Iconic Austin Music Venues." https://www.austintexas.org/austin-insider-blog/post/20-iconic-austin-music-venues/#:~:text=Austin%20is%20known%20as%20the,every%20night%20of%20the%20week.
[18] Christen, Mike. (2023, January 24). "Street art captures attention of Austin City Hall". *Austin Business Journal*. https://www.bizjournals.com/austin/news/2023/01/24/graffiti-street-art-downtown-austin.html.

In addition, the essential role of creatives and their contributions to the city were deemed so important that Austin was one of the first major cities in the U.S. to create an economic development strategy centered around promoting its culture through the "CreateAustin Cultural Master Plan" in 2009.[19] The first of its kind, this plan recommended Austin embrace its cultural diversity, harness its creativity, and support the creative ecosystem through increased investment in and support of the creative community.

Austin's status as a thriving home for creatives, however, has been thwarted by a combination of factors in recent history. For instance, Austin's increased popularity as a destination city has led to substantial population and business growth over the years, including the development of a sizable technology industry. While in some ways this growth has been beneficial to Austin's overall economy, it has also helped to create a widespread affordability crisis in the region, as the influx of high-salary technology workers has contributed to the median income level rising from $55,744 to $80,954 between 2010 and 2019.[20]

As a result, the cost of living in Austin has skyrocketed, with a 38% increase in the price of rent over the past decade making it one of the most expensive cities for housing in the country.[21] The 2022 Greater Austin Music Census illustrated the impact housing unaffordability has had on musicians, specifically. They found that 38% of surveyed respondents struggled to afford housing or workable artistic space. As a result of these increasing costs, it was also found that a third of Austin's musicians are considering moving entirely away from the Austin area.[22]

This transformation has substantially harmed Austin's creative community. The rise in cost of living coupled with the recovery from the pandemic have made it difficult for creative community venues and organizations throughout the city to survive, with several being forced to close in recent years.[23] As this trend continues, Austin's identity as a beacon of creativity and expression is more at risk than ever before.

This backdrop provides context for why in 2018 Austin's City Council decided to intervene and establish the Cultural Trust.[24] Austin is now faced with the challenge of how best to support the creative communities who helped make Austin the destination city it is and how the city can sustain its beloved unique and lively character moving forward.

With the background positioning of Austin's creative community established, our literature review will now explore the concept of arts and culture-led development and why it is worth examining when considering

[19] Cultural Arts Division. (2009). "CreateAustin Cultural Master Plan." *Austintexas.gov*. www.austintexas.gov/sites/default/files/files/Redevelopment/createaustin_cultural_master_plan.pdf.
[20] Sandoval, Edgar. "How Austin Became One of the Least Affordable Cities in America." *The New York Times*, 27 Nov. 2021, www.nytimes.com/2021/11/27/us/austin-texas-unaffordable-city.html.
[21] Ibid.
[22] Sound Music Cities. (2023). *Greater Austin Music Census 2022*. https://static1.squarespace.com/static/629ffa26288a045e9b02e837/t/63d9cd8533a519142c842ecc/1675218320842/2022+Greater+Austin+Music+Census+SUMMARY+REPORT+v1.3+optimized.pdf.
[23] Moreno-Lozano, Luz. (2023, January 13). "'Critical to who Austin is': City will again offer grants to support creative spaces, artists". *Austin-American Statesman*. https://www.statesman.com/story/news/2023/01/13/austin-grants-art-music-theater-studios-economic-development/69802004007/.
[24] Austin Economic Development Corporation. (2022). "Austin Cultural Trust.". https://www.austinedc.org/cultural-trust.

strategies to implement the work of the Austin Cultural Trust and its mission to support Austin's creative community.

Introduction to Arts and Culture-Led Development

The scholarly literature surrounding arts and culture-led development has flourished over the past three decades, and this research indicates a broad consensus that such development projects are capable of enacting immense change in the futures of cities, neighborhoods, and citizens. Researchers, such as Wang and Gadwa-Nicodemus, establish this groundwork literature by pointing out how arts and culture-led development can be key in revitalizing neighborhoods that have been abandoned or run down by the disappearance of industry.

Wang is quick to point out the economic benefits these projects can bring to cities by bringing new industries into struggling neighborhoods.[25] The cheaper real estate provides a big draw for creatives who would otherwise struggle to afford spaces in more well-established cultural cores, and the influx of that creative influence helps these previously blighted areas become less of an economic drain on the city.[26]

Revitalization alone is not the sole benefit of arts-and-culture-led development, as such development can also lead to a tremendous influx of new economic activity due to invigorated entrepreneurship, business interest, and job creation. Markusen and Gadwa explore how arts and culture-led development can foster economic growth and development across not just a neighborhood, but a city or a region as well. By emphasizing place-based initiatives that highlight the "natural cultural districts" inherent to a given city or region, the economic benefits of such development are more widely distributed.[27]

These initiatives can achieve this effect by empowering the creative class to act more freely and effectively, thereby creating cultural scenes across the region that act as significant pull factors for larger employers to either relocate to or expand into that same region. The creative class creates neighborhoods, cities, and regions that people want to live in and therefore making them the focus of economic development has positive externalities that better the region around them. However, it is understanding what exactly the creative class is, the issues they face, and how traditional economic developers and investors can best act on their behalf that often stymies developer interventions.

Additional literature on arts and culture-led development explores its relationships with the economic performance of cities. Cohen, Davidson, and Schaffer conducted a study to understand the economic impact of nonprofit arts organizations and their audiences. On a national level, they found the nonprofit arts sector in the U.S. generates $134 billion annually in economic activity, while supporting 4.9 million jobs and creating

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[25] Wang, Jun. (2009). "'Art in capital': Shaping distinctiveness in a culture-led urban regeneration project in Red Town, Shanghai" *Cities* vol. 26, no. 6, pg. 318-330.
[26] Ibid.
[27] Markusen, Ann. Gadwa, Anne. (2010). "Arts and Culture in Urban or Regional Planning: A Review and Research Agenda". *Journal of Planning Education and Research*, vol. 29, no. 3, p. 387.

$24 billion in total government revenue.[28] These findings indicate the arts and cultural sector has a significant impact on the nation's economy, which emphasizes the importance of developing the arts in urban settings.

Other literature attempts to understand the relationship between arts and cultural clusters and their impact on local economies. For instance, research conducted on arts and cultural clusters indicates that they attract talented individuals who are willing to work for lower pay, which promotes the local economy because these individuals can provide increased stability for creative organizations in the area and a better opportunity for them to innovate and develop.[29]

These findings support the argument that arts and cultural development can stimulate economic growth and are important for cities to support. In Austin's case, the Cultural Trust is one such way the city can serve the greater community of Austin. However, part of that stimulation relies on the inclusion of the creative class into these economic growth goals and thus a more complete understanding of what constitutes a "creative class" is necessary.

Defining the Creative Class

With the arts and culture led development research defined and in mind, we will now incorporate the idea of the "super creative class" and describe how the concept connects with the goals of the Cultural Trust.

While Florida's initial description of his so-called "creative class" may be overly broad for the purposes of the Austin Cultural Trust, he does provide some interesting framings from which we can ground many of the other books and articles in this literature review. The "creative class" as he defines it, is any economic actor, such as an individual entrepreneur, corporation, or nonprofit organization, that innovates "meaningful new forms," either in products or operations, for their given industry.[30]

While Florida uses this definition to include all manners of industries, including information technology and agriculture, there are several key characteristics that can be helpfully applied to the arts and culture world, as well as the arm of economic development that invests in it. For instance, Florida identifies one of the core defining characteristics of the creative class, which includes the arts and culture world, is that it carries an inherently higher degree of risk and lack of security than other, more traditional sectors of both the economy and society. He also points out the intensive degree of overlap between the arts/culture sector and the service sector. This interconnectedness helps root ecological models more firmly in the history of arts and culture-led development as a field.[31]

Lastly, Florida contributes to the notion that these "creative" sectors are vital for regional economic development, not just municipal development, bringing in the idea of multi-city collaborations and a true

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[28] Cohen, Randy. Schaffer, William. Davidson, Benjamin. (2003). "Arts and Economic Prosperity: The Economic Impact of Nonprofit Arts Organizations and Their Audiences". *The Journal of Arts Management, Law, and Society*, vol. 33, no. 1, p. 17–31.

[29] Rushton, Michael. (2013). *Creative Communities*. Brookings Institution Press, Washington, D.C.

[30] Florida, Richard. (2002). *The Rise of the Creative Class: And How It's Transforming Work, Leisure, Community and Everyday Life*. Basic Books, New York, NY. P. 68.

[31] Ibid.

regional approach that has been leveraged by several of the Cultural Trust's peer organizations in other cities. Florida was influential in his early explorations of the creative class and scholars, such as those cited elsewhere in this review, have built upon his work to form a clearer road map to effective arts and culture-led development.[32]

Gadwa-Nicodemus reinforces these positive claims by pointing out how arts and culture-led development can not only be highly lucrative, but highly flexible as well. By introducing the idea of "fuzzy" policies, Gadwa-Nicodemus points out that there is a high degree of adaptability in this branch of development policy, having few to no concrete models.[33] This "fuzziness," or vagueness, helps cities adapt the principles of arts and culture-led development to their own specific needs, histories, and contexts. The vagueness inherent in the policy philosophy is perhaps its greatest strength and gives the Cultural Trust the flexibility to craft its strategies to best meet the needs of Austin creatives.

The strength of this fuzziness, combined with the key characteristics that Florida outlines, create an interesting field in which traditional economic development actors can innovate alongside the creative economy as they look into ways to support it, and for the creative economy to support them in return. Much attention has been paid to the flexibility and fuzziness of policy actions that local governments are able to take in regard to arts-and-culture-led development, however, it is only recently that the same attention has been given to actions that traditional investment entities can take. McFadden and Goodson highlight such actions in their examination of the Dallas and Philadelphia metropolitan areas, as well as the externalities that these actions and the economic development investors who make them should understand.

As the authors explain, the most prescient interventions require investing culture shift in certain ways to be of the most help to arts and culture actors. Such shifts emphasize the shift from thinking about arts and culture as "nice to haves" in a local economy, and more as "must haves" given their ability to attract other economic actors, jobs, and tax paying citizens to an area.[34] They also advise investors to acknowledge the heightened risk that arts and culture actors face, as previously noted by Florida, and to recognize that as developers they have a greater capacity to not only mitigate that risk but to better survive losses should the investment's return not be as much as expected.

In regard to Gadwa Nicodemus' idea of fuzziness, McFadden and Goodson emphasize how truly flexible traditional economic developers can be with their investments and rail against the notion that there is a one-size-fits-all investment strategy. Instead, they champion more localized, specialized investment strategies that consider specific regional, state, and city histories, contexts, and conditions.

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[32] Ibid.

[33] Gadwa Nicodemus, Anne. (2013). "Fuzzy vibrancy: Creative placemaking as ascendant US cultural policy." *Cultural Trends*, vol. 22, no. 3-4, pg. 213-222.

[34] McFadden, Megan. Goodson, Sammetria. (2023). *Moving Minds and Money To Transform Arts and Culture Investment: An investor's primer for catalyzing capital into place-based, arts and culture-driven impact*. ImpactPHL, Philadelphia, PA. P. 13.

This can help to ensure that investments are effective, sustainable, and do not replicate the harmful, extractive investments that have plagued arts-and-culture-led development for so long.[35] This idea of a specialized local investment framework is echoed across many other areas that encompass arts-and-culture-led development, frequently referred to in blanket terms as "ecological approaches." The specifics of such approaches will be further described in this literature review as we discuss the state of Austin's cultural ecosystem specifically.

Austin's Cultural Ecosystem

A difficult challenge facing this work is that many creatives have already left or are seriously considering leaving Austin as a result of the bevy of problems the Cultural Trust is designed to address – the affordability of physical space in a place with rapidly increasing property values.[36] This introduces a new element into the engagement methodology; that the Cultural Trust is not a preventative measure, but a reactive one. While the Cultural Trust can work to prevent further losses in the arts sector, bringing cultural workers and organizations back to Austin and maintaining Austin's cultural identity may prove more difficult.

Another challenge that faces the Cultural Trust is that much of the scholarship around arts development has focused on the ability of arts and culture sectors to fuel larger aims of economic development. Conversely, there is a need to pay more attention to arts and culture organizations themselves. These organizations occupy their own spaces and ecosystems within cities, and these networks factor into our approach to help focus the Cultural Trust's efforts to better serve Austin's arts and culture community.

While not coming from an arts or development background, media scholars Turk and Johnson provide an interesting framework for examining these types of ecological systems. This approach centers on how similar entities connect with each other and address common internal problems as they arise.[37] For the Cultural Trust, this means looking into how arts and culture organizations and venues interact with one another, along with how to identify which actions are more necessary than others and how to address these issues. By integrating an ecological perspective and identifying arts scholarship that utilizes these perspectives, the Cultural Trust can help the arts and culture community of Austin resolve issues on their own terms rather than having to take an exclusively third-party perspective.

Another potential remedy to leaving out arts organizations is looking at other, non-development ecologies in which arts and culture organizations are involved. One such ecology, as outlined by Lin-Russell, Knutson, and Crowley, is the educational system of a given city or area. Arts and culture organizations, including performance venues, can form an important part of a city's educational infrastructure as they have much more leverage and flexibility in how they inform students' cultural education, and this partnership opens the

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[35] McFadden, Megan. Goodson, Sammetria. (2023). *Moving Minds and Money To Transform Arts and Culture Investment: An investor's primer for catalyzing capital into place-based, arts and culture-driven impact*. ImpactPHL, Philadelphia, PA. P. 29.
[36] Sound Music Cities. (2023). *Greater Austin Music Census 2022.* https://static1.squarespace.com/static/629ffa26288a045e9b02e837/t/63d9cd8533a519142c842ecc/1675218320842/2022+Greater+Austin+Music+Census+SUMMARY+REPORT+v1.3+optimized.pdf.
[37] Turk, Tisha. Johnson, Joshua. (2012). "Toward an Ecology of Vidding". In F. Coppa and J. Russo "Fan/Remix Video", special edition, *Transformative Works and Cultures*, no. 9.

door to more effective fundraising for both these organizations and more formalized educational actors.[38] In terms of addressing the Cultural Trust's challenges, this interlocking ecology provides a starting point for coalition building within the more solidified governmental actors within the city of Austin.

Applying this framework to the Cultural Trust could help it to build its intra-governmental credibility while also creating the potential for the long-term effects of its programs and interventions to come to full fruition by forming ties with more long-term entities in the city; for example, the Austin Independent School District. Given that a common concern for entities similar to the Cultural Trust is that they compete with local governments for both viability and funding, having more established entities vouch for them and assist them in their fundraising infrastructures is one way to provide political and financial cover to ward off early terminations by potentially unsupportive city councils.[39]

To their credit, the City of Austin's Economic Development Department has recognized the importance of an ecological approach and has identified ways in which it can be applied to the specific set of circumstances and contexts present within Austin. In a 2016 report, the organization identified key partnerships that interested parties should look into forming in order to stabilize and empower the city's arts and cultural scenes more effectively.[40]

One partnership identified in the report pairs affordable housing and space for creatives. The report identified organizations such as the Austin Housing Finance Corporation, the Urban Land Institute of Austin, and the Real Estate Council of Austin as key partners in the housing sector.[41] By identifying housing-based actors as vital partnerships, the city understands that affordable creative space goes hand in hand with affordable housing.

It also posits that housing policy can be multifaceted, emphasizing that creatives need affordable living space as well as workspace and that only addressing one of those needs will not effectively improve the other. By identifying these alternate policy levers, they have demonstrated a knowledge of where the cultural ecosystem overlaps with other policy domains and that encouraging a rising tide in one sphere will lift the boats of the cultural world.

Another policy overlap identified in the report is equity and inclusive community development. It identifies important players in minority communities such as the Mexican American Cultural Center (MACC), the George Washington Carver Museum, and the Asian American Cultural Center.[42] This indicates actors from the city understand the importance of marginalized communities' contributions to Austin's arts and culture landscape and that their inclusion in future policy actions is vital to improving equity and well-being across the city.

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[38] Lin Russell, Jennifer. Knutson, Karen. Crowley, Kevin. (2013). "Informal learning organizations as a part of educational ecology: Lessons from collaboration across the formal-informal divide". *Journal of Educational Change*, vol. 14, pg. 259-281.
[39] Ibid.
[40] City of Austin Economic Development Department. (2016). *Music and Creative Ecosystem Stabilization Recommendations: Staff Response to City Council Resolution No. 20160303-019*. Pg. 7.
[41] *Ibid.*
[42] City of Austin Economic Development Department. (2016). *Music and Creative Ecosystem Stabilization Recommendations: Staff Response to City Council Resolution No. 20160303-019.*. Pg. 6.

While these entities exist partially within the culture field, they have their own community ecologies, and incorporating them into the larger effort helps expand the network of support. This also serves to further strengthen the credibility of supportive efforts and the entities, such as the Cultural Trust, that champion them.

Other entities within the city government can be valuable partners in the larger ecology of arts stabilization and preservation as described in the report. Citing interdepartmental strategies used in Seattle and San Francisco, the Economic Development Department highlights the role that planning, permitting, and licensing bodies can play in the arts ecosystem.[43] Given that the Cultural Trust and the Austin Economic Development Corporation as a whole exist in both the private and public sectors, it is important to see what connections can be made within local government as they have greater leverage to ease certain avenues of action that would complement the aforementioned private-sector and community partnerships.

While licensing and permitting bodies are given the most attention in the report, it also indicates that while the public sector has a lot to offer in arts and culture stabilization efforts, a coalition incorporating both public and private ecologies is necessary to enact effective change. By shoring up support both within and without city government, the Cultural Trust can further insulate itself from future city councils that may be more willing to cut off the public dollars that it is currently receiving.

In a more recent report from Creative Victoria, two more ecological considerations were identified in public health and stronger equity foci in response to the Covid-19 pandemic. As the arts stabilization and empowerment organization for the Australian state of Victoria, Creative Victoria's report outlines how programs and policies developed under the guidance of public health organizations and departments can be applied to arts and culture organizations in order to mitigate lost income, unemployment, and a decreased capacity to collaborate with one another that has worsened the affordable space problems they were experiencing even before the pandemic.[44]

This additional ecosystem pairs well with Austin's recommended public sector partnerships as well as the equity focus Victoria emphasizes, as marginalized and communities of color were among the most heavily impacted by the pandemic. While the communities of color that Creative Victoria identifies are tailored to the city of Melbourne, as well as Australia more broadly, their framework can be easily adapted and implemented for Austin.

The key aspects identified include placing marginalized communities in positions that allow them to actively participate in and steer projects to ensure they are not left out of future policy considerations. As a result, these communities are empowered and given the capacity to be able to ensure the stability and prosperity of

[43] City of Austin Economic Development Department. (2016). *Music and Creative Ecosystem Stabilization Recommendations: Staff Response to City Council Resolution No. 20160303-019*. Pg. 23.
[44] Office of the Minister for Creative Industries. (2020). *Creative State 2025: Placing Creativity at the Heart of Victoria's Recovery and Prosperity*. Pg. 9.

their respective ecologies in the future.[45]

Unintended Consequences of Arts and Culture-Led Development

As with any field, there is disagreement and cautions that accompany this overall supportive scholarship. Miles and other cautionary scholars foreground the concern that if not properly managed, arts and culture-led development programs can actually worsen gentrification and displacement.[46] The influx of capital that Wang lauds becomes another tool to push out the struggling communities who originally called these neighborhoods home. If this development, Miles argues, becomes nothing more than another capital market that follows the same kinds of exclusionary logics that drained these areas to begin with.

Gainza complicates this notion by arguing that there should be even more attention paid to the specific micro-history of a given neighborhood in the planning of development policies.[47] Neighborhoods often follow their own patterns of residence and (re)development and those patterns should be taken into account when discussing if development policy is helping or harming a neighborhood. If a neighborhood has a long history of being a landing pad for poorer new arrivals, then development projects resulting in an influx of new arrivals are not necessarily displacement, but instead the next natural step of a neighborhood's life cycle.

Development-induced change is not always destructive, Gainza argues, but you must have that historical context to ensure that that change does not turn to neighborhood erosion and instability. While the Trust is not meant to create or address this particular issue, it can be an important factor to keep in mind when examining impact metrics in future evaluations.

Other scholars have taken these core cautions and expanded upon them. For one, Sitas brings in the concern that oftentimes these types of projects are deployed as part of a larger city-wide renewal project, and as such the neighborhood-level project is trying to be a consistent part of a larger whole. The city, Sitas argues, in its attempt to create a new, unitary vision of itself, may force a neighborhood to flatten itself into a singular presentation that is in line with the image the city wishes to project.[48]

This not only erases the multitude of cultures that may occupy a neighborhood but can also erode citizen support as they may feel that they do not have a place in the new image of the area that is being formed. These cautions emphasize the importance of the Cultural Trust being careful to both preserve and support cultural organizations that uplift creative desires and Austin's homegrown character.

Scholars such as Luger further complicate arts-led development by cautioning against the arts communities aided by these policies from becoming too close to governing bodies. Luger argues that arts and culture-led

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[45] Office of the Minister for Creative Industries. (2020). *Creative State 2025: Placing Creativity at the Heart of Victoria's Recovery and Prosperity*. Pg. 23.
[46] Miles, Malcolm. (2005). "Interruptions: Testing the Rhetoric of Culturally Led Urban Development" *Urban Studies* 42, no. ⅚, pg. 889-911.
[47] Gainza, Xabier. (2017). "Culture-led neighbourhood transformations beyond the revitalization/gentrification dichotomy". *Urban Studies*, vol. 54, no. 4, pp. 953-970.
[48] Sitas, Rike. (2020). "Creative Cities, Graffiti, and Culture-Led Development in South Africa: Dlala Indima ('Play Your Part')" *International Journal of Urban and Regional Research* vol. 44, no. 5, pg.821-840.

development can turn artists and other creatives into tools of the state; that low-culture can be brought up into high culture. By receiving government funding, creatives can be used to serve governmental ends including the gentrification and displacement of vulnerable populations and their neighborhoods.[49] The bottom-up modality of low-culture becomes a part of a top-down governmental strategy.

Karine-Simon and Braathen take all of these expanded cautions around top-down thinking to pose the question of whether or not governments are the right kinds of entities to engage in arts and culture-led development in the first place.[50] If governmental bodies are too top-down to readily preserve the cultures and lives of residents, then should they take a back seat in development efforts? Should they be more regulators to prevent the creation of a new capital market lest they create their own market in these neighborhoods? They suggest the balance between public and private in arts and culture-led development may need to err more on the side of private. The Cultural Trust does strike a good balance between these two poles by incorporating the feedback from its creative-community-sourced advisory council into its operations, thereby ensuring a dedicated bottom-up process.

In a similar vein, Delgado and Swanson expand the concerns around bottom-up approaches by arguing that even resistive frameworks can inadvertently create displacement. By bringing in the concept of gentefication, a more bottom-up alternative to gentrification that centers the experiences of Latin American communities, Delgado and Swanson point out how these bottom-up measures can preserve these cultures while still commercializing them and driving out low-income residents.[51] It keeps a diaspora culture intact while still creating an economic barrier to the neighborhood. Delgado and Swanson ultimately caution that race/ethnicity and class are frequently enmeshed but are not perfect synonyms and that bottom-up methods concerned with protecting one can still result in harm to the other.

Another remedy to the challenge of over-relying on economic development frameworks is that it leaves the internal operations of arts and culture organizations out of the picture. By understanding the logics and operating priorities of an arts and culture actor in their own terms, the Cultural Trust can not only overcome this challenge, but also identify the best ways to help a given organization based on its own internal needs, wants, and priorities.

Amans, Mazars-Chapelon, and Villesèque-Dubus outline three key logics in the budgetary and economic operations of arts and culture organizations: political, artistic, and managerial. Managerial budgeting is the most routine of these logics, concerning itself with the financial expenses and day-to-day operational costs of the organization.[52] While this is not the most helpful of the logics for the Cultural Trust to engage with, it does provide insights into the core pain points facing arts and culture organizations in a purely actuarial

[49] Luger, Jason. (2019). "When the creative class *strikes back*: State-led creativity and its discontents." *Geoforum*, vol. 106, pg. 330-339.
[50] Karine Simon, Véronique. Braathen, Einar. (2019). "Collective heritage and urban politics: an uncertain future for the living culture of Rio de Janeiro." *International Journal of Heritage Studies*, vol. 25, no. 4, pg. 380-394.
[51] Delgado, Emmanuel. Swanson, Kate. (2021). "*Gentefication* in the barrio: Displacement and urban change in Southern California". *Journal of Urban Affairs* vol. 43, no. 7, pg. 925-940.
[52] Amans, Pascale. Mazars-Chapelon, Agnès. Villesèque-Dubus, Fabienne. (2015). "Budgeting in institutional complexity: The case of performing arts organizations". *Management Accounting Research*, vol. 27, pg. 47-66.

sense; if the best type of intervention is a block grant or similar action, then understanding the managerial budgeting of an organization is vital.

Political budgeting in this model accounts for how an arts and culture organization utilizes any form of public funding they receive given that public dollars require a greater degree of transparency and accountability to guard against misuse and misappropriation.[53] Similarly to managerial budgeting, the usefulness of this budgeting logic to the Cultural Trust is situational. However, it can be helpful in seeing what other public funding sources the given organization is using and what, if any, stipulations have been put on the usage of those funds.

This can give the Cultural Trust insights into what other sources of funding an organization is utilizing and thereby identify other similarly operating interventional bodies to further the coalition building efforts and overlapping ecologies discussed previously. It also serves to ensure that whatever intervention the Cultural Trusts deploys is not redundant and can more meaningfully assist the given arts and culture organization by addressing a concern that is not already covered.

The final budget logic discussed is artistic budgeting, which is the most helpful for the Cultural Trust in identifying which types of interventions to prioritize. Artistic budgeting allows an arts and culture organization to set its own fiscal and economic priorities along the guidelines of its own artistic goals and organizational mission.[54] This allows the organization or venue to tell the Cultural Trust in its own words what its priorities are to ensure that the Trust's interventions are meaningful and that the Trust's third-party perspective does not misinform its need assessment of the given organization.

This own-voice perspective is also the direct counter to the overreliance on economic development literature. While it is difficult to create a uniform framework to assess these artistic budgeting priorities at a glance, if the Cultural Trust incorporates more questions and opportunities to prompt discussions of artistic budgeting in its application, outreach, and evaluation phases, then it can be ensured that any intervention will be of optimal use to the organization in need.

The scholarship responds to the host of cautions and complications of arts and culture-led development by emphasizing the need for closely monitored participatory methods, and the regular evaluation of those methods. Scholars such as Miles, Sitas, and Delgado all qualify their critiques with the note that many of the pitfalls of arts and culture-led development can be averted or mitigated if all communities in a given neighborhood are engaged and equitably allowed to participate and shape the development program. And it is by evaluating this participation, and adjusting participation if a problem is found, that development policy can avoid the kinds of bottom-up displacement highlighted by Delgado and Swanson.

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[53] Ibid.
[54] Ibid.

Ultimately, while the literature points out the associated risks with arts-led development, the Cultural Trust was inherently designed to address several of those risks and thoughtful consideration given to the program's implementation could allow it to mitigate the remaining ones. We intend to keep these unintended consequences and recommended mitigators in mind as we craft the Cultural Trust's strategic plan.

Conclusion

The City of Austin has already begun to apply academically supported frameworks in its endeavor to respond to threats its arts and culture communities face. As the literature describes, there are several ways arts-led development can be successfully and properly used to support creatives. Further, the city has already worked to mitigate some of the pitfalls of arts and culture-led development by using processes and tools to address the needs of the creative community through the establishment and construction of the Cultural Trust.

Moving forward, as the Cultural Trust becomes a fully operationalized program, it would be prudent to consider the ideas encompassed in the literature, as many are directly applicable to Austin's situation. By developing our strategic plan for the Cultural Trust as informed by this research, we hope to utilize this broad lens to more fully encapsulate the needs of, and best serve Austin's creative communities.

APPENDIX II – Engagement Summary

The following provides a summary of our project's engagement efforts. These methods summarize our engagement work and inform our strategic recommendations.

Peer Organizations

We conducted six semi-structured interviews with peer organizations in major cities working to support creative communities:

- **Cultural Space Agency (Seattle, WA)**
- **CulturalDC (Washington D.C.)**
- **Community Arts Stabilization Trust (San Francisco, CA)**
- **Creative Land Trust (London, UK)**
- **Mayor's Office of Arts and Culture, City of Boston (Boston, MA)**
- **Metro Arts Division (Nashville, TN)**

Stakeholders

We conducted six semi-structured interviews with four City of Austin council members and two City of Austin staff members:

- **Vanessa Fuentes, Council Member (District 2)**
- **Alison Alter, Council Member (District 10)**
- **Anne Kitchen, Former Council Member (District 5)**
- **Kathie Tovo, Former Council Member (District 9)**
- **Veronica Briseño, Assistant City Manager**
- **Meghan Wells, Acting Assistant Director at the City of Austin Economic Development Department**

We conducted one interview with two representatives from **ATX Musicians**:

- **Pat Buchta, Chief Executive Officer**
- **Sarah Hall, Education & Advocacy Manager**

We conducted one roundtable discussion with the **Cultural Trust Advisory Committee (CTAC)**, which consisted of approximately 20 leaders of creative community organizations throughout Austin.

Experts

We conducted 2 semi-structured interviews with arts program evaluation and economic development experts:

- **Michael Seman, Assistant Professor of Arts Management at Colorado State University**
- **Derek Fleming, Senior Advisor at HR&A Advisors, Inc.**

Strategic Plan Adopters

To finalize our strategic recommendations, we hosted one workshop with the **Cultural Trust Advisory Committee (CTAC)**, as well as multiple workshops with the client, the **Austin Economic Development Corporation**.

APPENDIX III – Strategic Recommendation Case Studies and Examples

Goal 1: Adopt a Future-Oriented Vision for the Cultural Trust

Strategy 1.1: Continue securing new cultural spaces

Hub Model

The second action item encourages the use of these multi-purpose spaces as hubs through which the Trust will begin to redress the lack of internal communication within Austin's creative community. In our conversations with CTAC, the problem of Austin's creative community being extremely siloed was a problem that was consistently raised, and by introducing more multi-purpose hub spaces the Trust will facilitate more intra-community communication. The multi-purpose nature creates opportunities for creatives and cultural organizations who would otherwise not interact to form connections with each other and form those bonds on which community strengthening and activation rely.

An excellent example of the hub model in action is the Millennium Youth Entertainment Complex (MYEC). The YMEC integrates the alternative modes of ownership, operation, and management that the Trust should look to further embrace as it is owned and operated in a joint venture by the City Clerk's office and the Austin Rosewood Neighborhood Development Corporation and further accomplishes many of the above goals of the hub model.

The MYEC serves many roles in its community, acting as a voting center, resource distribution center, and venue for town hall meetings, neighborhood association meetings, and other community events. In this way, the MYEC is already doing much of the work that the hub model would accomplish, and by integrating more cues from the MYEC into future spaces and projects, the Cultural Trust will replicate and foster the MYEC's successes.

Strategy 1.2: Integrate the Trust and its partners into city development Projects

Abundance Thinking Over Preservation

By introducing and centering more abundance-focused language and thinking, the Trust will highlight what the creative community will gain from future projects and interventions. Abundance thinking helps to reinforce the idea that scarcity will not be the norm of the future and by being present in future development projects will provide a variety of opportunities to improve the situations of creatives across Austin.

In addition to keeping the Trust in line with a future-oriented vision, abundance thinking works to address a discomfort CTAC members discussed surrounding preservation language. This discomfort comes out of concerns that creatives of color, and the venues that have traditionally served them, are frequently left out of preservation conversations and that consequently, inequity is what is being preserved more so than any given

venue. By reducing the usage of preservation language at the same time as increasing abundance thinking, the Trust will continue to adopt a future-oriented vision with a greater awareness of and mind towards equity.

Strategy 1.3: Incorporate more diverse funding sources

Diversified Funding

Across our interviews with peer organizations, city officials, and CTAC the thread of integrating more private and philanthropic funding was not only present but highly favored. By bringing in more funding from these sources, the Cultural Trust will take another step towards operating at the capacity desired by its peers, its city, and its constituent community members. By bringing more control of the existing bond dollars under the direct control and authority of the AEDC, the aforementioned red tape will be more efficiently cleared, and the Trust's project timelines will become shorter and more actionable.

Goal 2: Foster Viable and Self-Sustaining Creative Organizations

Strategy 2.1: Provide real estate and development technical assistance to creative organizations

Technical Assistance

Our discovery process revealed that many creative organizations seek support through technical assistance. We learned that this is fundamental for creative organizations because it provides the necessary knowledge, skills, and tools to navigate the complex real estate and development environment. We believe that by providing technical assistance through real estate programming, the Cultural Trust will maximize the support that it provides to creative organizations. To do so, it will need to offer the various technical services that our first action item under this strategy discusses. Applying this approach will then demonstrate how the Cultural Trust is making significant efforts to foster viable and self-sustaining creative organizations in Austin.

Online Platform

Our third action item suggests creating an online platform for creatives. By developing this, the Trust will increase its capacity to support creatives in Austin. For instance, our interview with the Cultural Space Agency taught us that an online platform will provide useful resources to creatives as they seek additional means of technical support. This will be a great opportunity to offer online real estate services. Creative organizations will then experience convenience, guidance from expert knowledge, and empowerment to make informed decisions through the online platform. Once the Cultural Trust develops such an online platform, it will be in a better position to maximize its impact and effectiveness as it offers support to creative organizations.

Strategy 2.2: Develop relationships between creatives and developers

Incubator Program

We modeled this strategy and its action items to reflect the incubator program out of Sydney, Australia. This program connected creatives and developers to learn from one another while also creating opportunities to

address issues involving the lack of creative spaces. As the Cultural Trust develops these relationships, creatives will have input in discussions involving plans and projects coordinated by developers.

Each of our action items attempt to create opportunities where creatives and developers learn more about each other. For example, creatives may introduce themselves to a variety of developers in the Austin area at networking events hosted by the Cultural Trust. In these events, creatives and developers will learn more about each other and their motivations or goals. Additionally, hosting multi-week workshops between both groups will build credibility and trust that forms a foundation for strong relationships.

At the same time, open house events will create a more formal opportunity to present current projects or goals that creatives or developers wish to share to receive input or support from one another. This will facilitate a mutual understanding of each group's objectives and provide an avenue for collaboration between them. In essence, we believe that fostering such relationships will empower creatives to tackle the challenges of displacement and the potential loss of their creative spaces. Following these steps will also enable creatives to work with developers to ensure a self-sustaining creative ecosystem that benefits both parties and the broader Austin community.

Strategy 2.3: Serve as an expert witness to creatives' experience and make recommendations to advocates and policymakers

Taking Advantage of Existing Incentives within Austin's Policies
Our conversations with former council members Anne Kitchen and Kathie Tovo revealed the need to identify existing policies that will benefit creatives in Austin. By following this approach, we believe the Cultural Trust will play a key role in encouraging developers to build and set aside affordable spaces for creatives in Austin as they deal with the threat of displacement. To do so, the Trust will look at existing incentives within the housing policy landscape to draw inspiration as it makes recommendations to advocates and policymakers.

Some examples of existing affordable housing incentives include the SMART (Safe, Mixed-Income, Accessible, Reasonably-priced, Transit-Oriented) housing program, density bonuses, and development agreements among many others.[55] Applying these sorts of incentives and agreements will ensure that creatives have a better opportunity to continue thriving in Austin. This will also address the need to find long term solutions that prevent their displacement and loss of creative spaces. Furthermore, by utilizing existing affordable housing incentives as a starting point, the Cultural Trust will work with city leaders and policymakers to recommend tailored solutions that prioritize the specific needs of the creative community in Austin.

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[55] City of Austin. (2023). "Development Incentives and Agreements".

Strategy 3.1: Establish the Cultural Trust as a convener for Austin's creative organizations to discuss real estate and development practices

Umbrella Organization
As an umbrella organization, the Trust Will center creative organizations throughout Austin and give them the opportunity to come together and foster a more cohesive community. More specifically, peer organizations will bring creative communities together to share insight into real estate development strategies, including site planning, project management, financial management and negotiating with landlords, among others.

Our first action item is geared toward highlighting different community sectors in Austin by hosting quarterly listening sessions. We recommend that each session highlights one specific sector, both to provide a platform for the sector to speak to particular needs within their community and to supply the Cultural Trust with additional perspective to expand their understanding of the creative community more broadly. The second action item recommends an additional annual convening, both to allow for cross-collaboration between the creative sectors and also to provide them with a forum to share skills and key insights when it comes to real estate development best practices.

Strategy 3.2: Explore innovative, community-oriented solutions to govern the Cultural Trust more effectively

Artist Ambassadors
In our first action item, we cite the importance of including creatives within governance by electing Cultural Trust Ambassadors, who will be on-the-ground creatives representing both a variety of sectors and different areas throughout Austin. The ambassadors will serve as community liaisons; generating an overview of feedback from the creative community based on the status of Cultural Trust initiatives and a general understanding of how their creative sector is doing, and subsequently communicating that information to the Cultural Trust. This idea is based on the existing framework put forth by the Creative Land Trust in London, where they have multiple "artist ambassadors" who play a similar role in supporting their Board of Trustees with insight into creative community needs.[56]

Separating from the AEDC
Our second action item focuses on the idea that the Cultural Trust should consider detaching itself from the AEDC and becoming its own privately incorporated entity. We deem this to be an essential next step to consider, in part because of the emphasis many of our peer organizations placed on the importance of having the backing of private, philanthropic funding. They suggested this as opposed to solely relying on municipal bond funding, which can come with several limitations on how dollars can be used. Becoming its own entity will also allow the Cultural Trust to place more focus on marketing and branding itself to the broader Austin

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[56] Creative Land Trust. (2021, August 11). "Creative Land Trust (CLT): Making space for art". https://creativelandtrust.org/.

community. Currently, under the jurisdiction of AEDC, the Cultural Trust is just one of several projects in motion and lacks adequate resources from the city to substantially stand out on its own.

Strategy 3.3: Create place-based partnerships to enhance community engagement

Cultural Districts

This strategy is primarily based on our interviews with Boston's Office of Arts and Culture, which has established strong relationships with the creative community in Boston and cites the city's multiple cultural districts as a key component in their work. Boston's cultural districts allow for the Arts and Culture Office to more clearly identify where creative communities live, work and collaborate. This will be especially helpful for Austin's creative community to reference, as the siloed nature of their community makes it more challenging for the Cultural Trust to use place-based strategies and create more cohesion amongst local creatives. Boston's Office of Arts and Culture has also built up enough trust with the creative community that they consistently receive texts, phone calls, emails and Instagram Direct Messages from community members with questions, concerns and general updates.

Establishing cultural districts falls under state jurisdiction in Texas, so the second action item recommends the Cultural Trust advocate to the Texas Commission on the Arts in order to formally create these districts citywide. This strategy was also cited by the creatives we spoke to in our discovery and engagement process as an idea they were excited about having the Cultural Trust pursue.

Goal 4: Promote the Story and Value of Austin Creatives

Strategy 4.1: Prioritize sharing the Cultural Trust's successes

Transparency

While communication on various channels is key to the Cultural Trust's success, it is also important to remain as transparent as possible throughout that communication. This is especially important because so much of the Cultural Trust's work is sensitive and confidential. Finalized deals should be shared with the broader community, and during the requests for proposal process in order to ensure trust and buy-in from stakeholders. This will also build up goodwill with the creative community that will help at times when the Cultural Trust has to be more discreet about its work and to carry out its mission. Several peer organizations adopted the practice of transparency and disseminated information regarding their progress. Peer organizations successfully reported on project success and maintained transparency via social media accounts, traditional media, and their websites.

Strategy 4.2: Adopt a holistic approach to demonstrate the value of creative sector

Aesthetic Perspectives Framework

The Aesthetic Perspectives framework can be employed by the Cultural Trust to measure the impact of the funded projects and the benefits created by supporting creative organizations.

This framework enhances the understanding and evaluation of creative work.[57] It was this framework that Professor Seman used to develop questionnaires to assess and quantify the success of an arts grant program in Colorado in a more holistic way, beyond capturing traditional economic measures. The matrix he created using the Aesthetics Perspectives framework provides a baseline to quantify the creative sector's impact on community development, aesthetic effects, social impact, capacity building, and holistic economics.

Storytelling

While the impact of funded projects can be measured and provide many benefits, it is also important for the Cultural Trust to take that information and tell relevant community stories. Stories that share both the urgent need to provide assistance with acquiring and maintaining physical space on behalf of the creative community, as well as the benefits that creative organizations provide to Austin's community, can be especially effective for branding the Trust. The importance of this communication method was also emphasized by program evaluation and subject matter experts.

Quantitative Data Tracking

There are several methods of quantitative tracking the Cultural Trust can employ to mirror initiatives pursued by other peer organizations. This includes tracking existing creative spaces by showing square footage, how people can access/rent those spaces, as well as who actually uses them. The Trust can also construct and track its own development pipeline and project timeline, in addition to monitoring the vulnerability of existing spaces through their level of affordability and geographic location.

Strategy 4.3: Center relationships with diverse partners to champion creatives

Innovative Funding

We also recommend the Cultural Trust create a development plan to identify potential partners for funding. This includes identifying funding mechanisms that reduce the Trust's reliance on municipal funding. This will potentially include innovative measures such as collecting a percentage from annual festival ticket sales, including Austin City Limits and South by Southwest. This plan will also identify national funders who support creative programs as a way of buttressing the limited philanthropic funding landscape here in Austin.

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[57] Americans for the Arts. (n.d.). *Aesthetic Perspectives: Attributes of Excellence in Arts for Change.*
http://www.animatingdemocracy.org/aesthetic-perspectives.

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