



CITY OF AUSTIN, TEXAS

Purchasing Office

Request for Information (RFI)

RFI 5500 SMW6000

Cover Sheet

Austin Creative Space Bond Project

Issue Date: August 20, 2020

Authorized Contact : Shawn Willett, Deputy Procurement Officer,
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Responses Due By: September 21, 2020 prior to 5:00 PM CDT

Responses must be submitted via email to :
Shawn.Willett@austintexas.gov

**REQUEST FOR INFORMATION
CITY OF AUSTIN
CREATIVE SPACE BOND PROJECT
RFI 5500 SMW6000**

Disclaimer

THIS REQUEST FOR INFORMATION (RFI) IS ISSUED SOLELY FOR INFORMATION AND PLANNING PURPOSES AND DOES NOT CONSTITUTE A SOLICITATION OR CONTRACT. THE RFI DOES NOT GUARANTEE OR COMMIT THE CITY TO ANY SOLICITATION OR CONTRACT OPPORTUNITIES. ALL INFORMATION SUBMITTED TO THE CITY OF AUSTIN (CITY) BECOMES PUBLIC INFORMATION AND IS SUBJECT TO THE TEXAS OPEN RECORDS ACT UPON RECEIPT. ANY INFORMATION SUBMITTED IN RESPONSE TO THE RFI SHOULD NOT CONTAIN PROPRIETARY AND/OR CONFIDENTIAL INFORMATION. RESPONSES TO THE RFI WILL NOT BE RETURNED. ACCORDINGLY, RESPONSES TO THIS NOTICE ARE NOT OFFERS AND CANNOT BE ACCEPTED BY THE CITY AS SUCH OR TO FORM OR SUGGEST A CONTRACT OR COMMITMENT OF ANY NATURE. RESPONDENTS ARE SOLELY RESPONSIBLE FOR ALL EXPENSES ASSOCIATED WITH RESPONDING TO THIS RFI.

1. Purpose of RFI

The City of Austin ("City") values its creative industries sectors and continuously seeks partnership opportunities to support the creative industries sectors economy. Through this RFI, the City of Austin ("City") seeks to: 1) solicit any number of views and suggestions from interested arts, music, and other cultural facility operators, technical advisors, managers and/or owners and other interested creative industries sectors entities; and 2) assist the City in identifying the optimal manner to deliver a facility/facilities, or partnership(s) for the Creative Space Bond Project ("Project"). Responses to this request will inform a potential subsequent Request for Proposals ("RFP") intended to drive the selection of one or more entities to operate and manage the programming of a creative space ("Operator"), as well as guide the process to identify and select real estate for this purpose. The primary purpose of this RFI is to:

- a) Measure the level of respondent(s) interest in participating in a potential future RFP;
- b) Obtain industry input and information relevant to the Project; and
- c) Understand the universe of partnering solutions that could be beneficial to the Project.

Responses to this RFI are encouraged to be thoughtful and thorough in response to the questions outlined in Section 6 that are deemed relevant and appropriate.

2. Why an RFI

The City is particularly interested in seeking feedback from industry experts to ensure that a potential subsequent Request for Qualifications ("RFQ")/RFP and a potential agreement appropriately reflect challenges the arts and music community faces and how to potentially overcome those challenges by leveraging opportunities.

The RFI is a fact-finding document which will provide the City with a breadth of opportunities available and lead to better decision making and direction. Included within the breadth of

**REQUEST FOR INFORMATION
CITY OF AUSTIN
CREATIVE SPACE BOND PROJECT
RFI 5500 SMW6000**

opportunities are considerations for leveraging City investment and the potential use of an economic development corporation to present additional opportunities.

As best as possible, the City is articulating preferences, requirements, and an openness to considering a variety of responses to this RFI. The RFI format is highly flexible, and respondents are encouraged to provide a full range of responses that you believe meet the general intent of the RFI. From responses received, the City will gain more insights into developing an RFQ and RFP. As a note, responses to this RFI are not a prerequisite for submitting responses to an RFQ or RFP.

The requirements elaborated further within this RFI are meant to collect information in as uniform a way as possible.

3. Background

Pursuant to Proposition B of the 2018 Bond package to fund the acquisition of libraries, museums, and cultural facilities, voters approved the use of \$12 Million towards “creative space acquisition and improvements” in the City (the “Creative Space Bond”).

In conjunction with the Joint Arts and Music Commission (the “Commission”), the City has conducted extensive community engagement to gather community feedback and analyze various options. The Commission’s recommendation, which was endorsed by City Staff and presented to City Council in a memo dated April 3, 2020, is to use the \$12 Million Creative Space Bond towards identifying and securing real estate as well as building, improving or re-purposing a multi-use/multi-purpose facility or facilities that meet the expressed needs of the arts and music communities while serving a public purpose and enriching the cultural life of the City.

The City’s goal for the Project is to create affordable and accessible creative spaces for local artists and musicians. The Project aims to address historic inequities and alleviate the crisis-level issues facing the creative community including affordability and rapid loss of creative spaces such as theatres, galleries and music venues.

4. RFI Respondents

The term “Respondents” is broadly meant to mean the persons/businesses/organizations who provide a response to this RFI. Through this RFI, the City prefers responses from legal entities, including non-profit entities, established in the Austin area with the following experience and capabilities:

- Arts, music, and other cultural facility operations and management;
- Facility operations; and
- Technical service providers and/or entities with expertise in creative space design and development.

Historically disadvantaged organizations including Women/Minority/Disadvantaged Owned Business Enterprises (WBE/MBE/DBE) are strongly encouraged to respond to this RFI.

**REQUEST FOR INFORMATION
CITY OF AUSTIN
CREATIVE SPACE BOND PROJECT
RFI 5500 SMW6000**

5. Information Only: Creative Space Bond Project Preliminary/Potential Requirements

The following section describes preliminary/potential requirements for the Project as per the recommendations of the Commission relating to desired features for the creative spaces, equity, and eligible operators. Also provided are preliminary/potential City requirements related to bond funds, cost and funding considerations and other policy objectives. The requirements are provided as information, and responses will assist the City in crafting the RFQ/RFP to capture as many opportunities as possible while meeting these requirements.

Desired Project Features

In line with the recommendations of the Commission, the RFI Respondents should be aware of the following potential desired features:

Amenities

The selected facility/facilities must be fully built out (i.e., no uncomplete phase work) and ready for use upon completion/opening and address the current gap in amenities including, but not limited to:

- Flexible rehearsal spaces to include small rooms for bands/theater companies / performance artists to rehearse;
- Performance theater with at least 50-person capacity (may include outdoors);
- Visual arts studio and gallery space; and
- Classroom space.

The City will consider both stand-alone and mixed-use spaces.

Location and Site Accessibility

The preferred facility/facilities should be located in or near the targeted zones identified by the public as follows:

- East of I-35, West of US-183
- South of Lady Bird Lake, North of Ben White (HWY-71)
- Downtown (Lady Bird Lake to MLK and I-35 to MoPac)
- North of 30th St, South of US-183

Other Desired Features

- Accessibility to public transit
- Ease of access via surface roads
- Availability of parking
- Location adjacent to complementary uses such as affordable housing or social services

Properties located outside the City limits will not be considered.

**REQUEST FOR INFORMATION
CITY OF AUSTIN
CREATIVE SPACE BOND PROJECT
RFI 5500 SMW6000**

Equity

The City places utmost importance on the Project being equity-based. To this end, addressing past inequities to underserved/marginalized creative individuals/groups and incorporating an equity-driven process as outlined by the City of Austin Equity Office will be incorporated into the vision for the proposed Project. As an example, the City may assess the Operator's experience engaging with underserved or marginalized groups and communities of color. More detailed recommendations from the Joint Music/Arts Commission are available at:

<http://www.austintexas.gov/edims/document.cfm?id=333624>.

Eligible Operators

The City desires operator(s) with the capacity and experience to manage community and cultural facilities. Operator(s) will need to have been operating in Austin for a minimum of 2 years, show evidence of successful community engagement, and demonstrate a stable financial history.

Ownership Requirements

As a Bond-funded initiative, the City of Austin must have an ownership interest in the Project; it is highly unlikely this requirement will change. The City is open to certain ownership (including partial or joint ownership), leasing (including leases with options to purchase), and buy-back scenarios that will meet the goal of creating spaces for local artists and musicians while complying with the Bond requirements.

City Bond Fund Requirements

Although this RFI is intended only to seek views and information and is not the RFQ/RFP, Respondents should be aware that this is a bond-funded initiative and the Project must comply with the Texas Constitution, which requires:

- The proposed uses of bond funds to be approved by the Attorney General;
- The Project must demonstrate a long-term public purpose; and
- Bond funds to be used for capital projects only (e.g. control of property, design, renovation and/or construction of a facility).

To meet these criteria, facilities that are owned by the City, operated by a non-profit entity, and do not involve the use of City-bond funds to pay rent for the creative space are more likely to be approved for bond funding. RFI respondents are encouraged to offer alternative partnership scenarios. The City will work with bond counsel to ensure that the proposed partnership fits within the framework of the bond proposition approved by the voters. It is highly unlikely that these City Bond Fund Requirements will change.

Cost and Funding Considerations

Respondents should consider that City funding for the Project is currently the \$12 Million Creative Space Bond and is not anticipated to exceed this amount. In a potential subsequent RFQ/RFP, respondents should delineate costs and funding sources for all proposals.

**REQUEST FOR INFORMATION
CITY OF AUSTIN
CREATIVE SPACE BOND PROJECT
RFI 5500 SMW6000**

The City does not currently have funding earmarked to support operating costs for the Project.

Other Policy Objectives

The Project shall comply with all applicable local, state, and federal laws as well as City rules, regulations, and policies and will incorporate certain policy objectives including but not limited to the following:

- Sustainability through LEED certification at the Silver level, at a minimum;
- Living Wages;
- Prevailing Wages for construction;
- Better Builder Standards; and
- Minority and Women Owned Business Enterprise (MBE/WBE) Goals in accordance with City ordinance.

6. Project Implementation

Procurement Process For Operator

The City, working with advisors, plans to conduct a two-step procurement for the selection of the Operator(s). The following graphic depicts the anticipated procurement process.



Concurrently with the procurement process for the Operator(s), the City is working with a real estate broker who will issue a separate solicitation for properties that will meet the site selection criteria.

**REQUEST FOR INFORMATION
CITY OF AUSTIN
CREATIVE SPACE BOND PROJECT
RFI 5500 SMW6000**

Anticipated Financial and Transaction Structure

- Under an Agreement, the Operator(s) would be contractually obligated to:
 - Provide a public benefit for a period longer than the City bond term, which is expected to be 20 years, at a minimum; and
 - Manage a financially feasible operation, as initially proposed in a business plan/operating budget that is grounded in the realities of programmatic, operating, and facility maintenance costs for the proposed creative uses and the preferred site.
- Prior to the City utilizing any portion of the \$12 Million Creative Space Bond, the Operator(s) will need to provide evidence of commitments for any funding required above \$12 million and execute a management services agreement.

Construction / Renovation

If construction/renovation is applicable, the City will identify and select a delivery partner(s) who will work with the Operator(s) to devise final designs and subsequently manage the construction of the Project in compliance with the City's requirements and policy objectives.

7. RFI Response Requirements

Respondents should provide responses to the questions and statements that follow only as they apply to the potential role the Respondent would take in the Project and/or to the Respondent's experience.

Cover Letter: Respondents should submit a cover letter from the responding entity, which includes the following information: Entity's Name, Entity's Address, Entity's Designated Contact Name, telephone number, and email address.

RFI Questions

The following is a series of questions the City has outlined to help us best understand the perspective, insights and needs of potential project participants. Please respond to the elements pertaining to your business and area of expertise.

**REQUEST FOR INFORMATION
CITY OF AUSTIN
CREATIVE SPACE BOND PROJECT
RFI 5500 SMW6000**

Table 1 – RFI Questions

Topic	Question
<i>General</i>	
	The City is evaluating several ways to deliver the Project and would like to understand potential opportunities in the market. Please describe your organization's involvement in the delivery, management, and operations of an arts/music or other cultural facility.
	Describe your potential role(s) in the Project. If your response includes more than one organization and/or entity, please identify the roles and responsibilities of each party.
	What factors would most influence your decision to participate in this Project?
	RFI Respondents are encouraged to offer potential properties for the Project. Please share information on any potential facilities that may be good candidates for this Project including the facility you are currently operating.
<i>Creative Space Cultural Interests</i>	
	In line with the desired goals for the Creative Space Bond, what are your cultural interests in regard to this Project?
	Describe the type of creative facility you would be interested in operating, your programmatic approach and preferred operating parameters. What public benefit would you offer?
<i>Facility Requirements & Site Selection</i>	
	What specific facility requirements does your organization require to meet the goals of the Project?
	What are the minimum space and physical requirements your organization would seek (i.e. cold dark shell or venue with specific types of structures)? Please detail requirements related to floor loads, ceiling heights, electrical and acoustic systems, visual arts, etc.
	What nearby amenities would benefit the Creative Space Project? In addition, please detail how much parking your organization might require.
	Please describe what would make a given site / facility more desirable than another.
<i>Project Development and Facility Operations and Management</i>	
	We anticipate that the likely selected sites/facilities will require some level of renovation/construction. As an arts/music/cultural facility operator, would you be

**REQUEST FOR INFORMATION
CITY OF AUSTIN
CREATIVE SPACE BOND PROJECT
RFI 5500 SMW6000**

Topic	Question
	interested in managing all aspects of the renovation/construction of the project including soliciting and overseeing an architect and general contractor?
	Recognizing that the Project will need to comply with all City rules, regulations and policies, would it be advantageous for the City to directly manage and oversee the required renovation/construction. Are there any concerns with this approach?
	Please describe your organization's interest in serving as a developer working with a facility operator on a project of this scale and complexity.
<i>Procurement Process and Transaction Structure</i>	
	Please identify any risks you perceive to successfully negotiating and executing an Agreement.
<i>Funding</i>	
	What information does your organization need to offer a financially feasible business plan to the City?
<i>Other</i>	
	Are there any concerns with any of the information provided in this RFI? Please explain what these concerns are and provide proposed solutions.

8. RFI Response Instructions

All inquiries and comments concerning this RFI should be provided in writing and submitted via email to the authorized contact listed on the Cover Page.

RFI responses are due to the City of Austin prior to 5:00pm CDT on September 21, 2020.