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## 'Owning is a good thing': New partnerships secure future for Austin Symphony, other groups



Michael Barnes/ Austin American-Statesman

For more than a quarter century, Peter Bay did not even merit a desk.

That's right: The renowned music director of the Austin Symphony Orchestra could not depend on a designated desk or chair, much less an office with a door, at the ensemble's headquarters. Space was that tight.

To be fair, Bay had assembled a sweet work space at his Southwest Austin home that he shares with performer-producer Mela Sarajane Dailey, whose two-part nonpartisan get-out-the-vote event, "Use Your Voice, Use Your Vote," starts at the Austin ISD Performing Arts Center on Sept. 14.



Austin Symphony Orchestra interim executive director Jim Green, office manager Brittany Hoover and longtime director of marketing Jason Nicholson outside of Maestro's Conference Room at the ensemble's new permanent offices on Red River Street.

Michael Barnes/ American-Statesman

Today, Bay can claim a desk, chair and office at the streamlined new Austin Symphony headquarters inside a bronze and dark blue tower behind the old Symphony Square on Red River Street. The ensemble owns this home because of an "exchange agreement" with Graystar Real Estate Partners, a global

developer that built the attached mixed-use tower, The Waller, partly on land that the symphony had acquired in 2001.

The Austin Symphony is not alone in this kind of creative financial effort. Faced with rising real estate costs, falling government subsidies, and a renewed sense of obligation to future artists, nonprofit arts groups around town have acted nimbly to secure their own destinies.

Some are purchasing or building new offices or arts venues. Others are partnering with for-profit and nonprofit companies through novel exchanges and deals. Still others have secured long-term leases that ensure that they won't be evicted, at least not until they have nailed down a permanent home.

To be sure, other arts groups are still facing stiff pressure in a booming real estate market that has increased the overhead for restaurants, music venues, independent shops and other staples of Austin's treasured culture. Some of those groups might be tempted to take up recent offers to occupy pop-up spaces in vacant, overbuilt office buildings, especially downtown, but that's a temporary solution.

Increasingly, nonprofit arts groups, which historically depended on the University of Texas or the city of Austin for facilities, have woken up to their natural strengths: Advantageous property and capital gains tax status as nonprofits, appreciating assets, in-house expertise and creativity, as well as trusted reputations that can leverage coveted brand value.

"Owning is a good thing for our future," says Jim Green, interim executive director of the Austin Symphony.
"A lot of it comes down to good timing. Stability is always where we want to be."

Now his 21 staff members — plus maestro Peter Bay — can work in a modern, light-saturated environment that includes a cafe-like break area, conference rooms and, for the first time, a spacious music library.

"Peter finally has a desk," Green, a former manager at the TECO-Westinghouse plant in Round Rock, jokes about Bay. "It took him 27 years to get that desk."



The streamlined new Austin Symphony Orchestra offices are tucked behind the old Symphony Square on Red River Street. They were made possible by an "exchange agreement" with the developer of a mixed-used tower for land once owned by the symphony.

Michael Barnes/ American-Statesman

## 'This new era': How the symphony made it happen

Founded in 1911, the Austin Symphony has endured for more than a century by taking advantage of planning and timing. Its history is not without low points. For instance, from 1918 to 1938 it presented no concerts. It was rescued from near death again in the 1970s when its chaotic management met the iron will of the late symphony leader Jane Sibley.

Among other things, Sibley envisioned a headquarters for the symphony on the banks of Waller Creek during a period of asymmetrical urban renewal in northeast downtown — some people lost homes and businesses to the bulldozers. For many years, the ensemble leased four historic buildings along a bend in the creek, and subleased one of those structures, now assigned to the Waterloo Conservancy, to a Tex-Mex restaurant.

Twenty years later, Sibley, along with Jo Anne Christian of Austin Opera and Jare Smith of Ballet Austin, led efforts to secure a performance home away from the UT campus for the major performing arts groups, a project that turned the old Palmer Auditorium into the Long Center for the Performing Arts. In 2001, the symphony purchased an office structure on stilts next door to Symphony Square, formerly a LGBTQ+ community center, later christened the Mary Ann Heller Building. When Graystar approached symphony leadership in 2018 for the land beneath that cramped, stilted structure, the unlikely partners worked out a deal.

Not only did Graystar build a two-story office building for the symphony, the developer guaranteed 21 onsite parking spaces, and use of the gym and swimming pool inside the complex's residential tower. The symphony dipped into its reserves to build out the interiors with ceiling-to-floor windows that overlook the old Symphony Square and some adroit landscaping.

While the tower rose, Graystar paid to move the symphony staff temporarily to a historic residence owned by advertising pioneer Gay Gaddis on Judge's Hill south of West Campus. What happened at Symphony Square? For now, the Hamilton Building, which had housed the symphony's ticketing services, and the tiny Doyle House across East 11th street, both constructed of limestone in the 19th century, will be used for storage.

"I've only been here since April," says still-new office manager Brittany Hoover, who oversaw the complicated move back to Red River Street. "I dove right in. The music was a huge draw. What I found was a passion, an intense passion to make our future extra bright. I feel an immense sense of pride to be part of history and this new era of Austin Symphony Orchestra."



Some of the Austin Symphony Orchestra works on the second floor of the ensemble's new headquarters on Red River Street. Michael Barnes/American-Statesman

## Other creative ways to secure the future of the arts

Ten years ago, headlines warned that Austin's real estate boom endangered the creative class — artists, performers, writers, makers, musicians and others — who had cobbled together much of the culture that helped lift up the city's unique reputation. People of color, blue-collar workers, students and others who did not ride the high-tech economic wave were similarly threatened by the higher cost of living, especially in Central Austin.

Meanwhile, the city of Austin changed its strategy for supporting the arts by widening the designated grant communities to include club music and historic preservation, then by backing new applicants rather than the traditional core of the arts scene. Adding to the stress, artists tussled over what appeared to be fewer available — and affordable — venues.

The venue crisis revealed something that had been underreported: Many of the places that made Austin arts pop during the 1990s and early 21st century were by nature temporary: Warehouses and former industrial or commercial sites waiting to be repurposed for long-term use; or city-owned facilities that required deferred maintenance; or storefront spaces that became commercially viable once the retail scene bounced back from the COVID-19 pandemic.

During the past two or three years, however, observers have noticed a counter-trend: Artists discovering new financial strategies and, especially, fresh partnerships to secure their futures. Here are some winning strategies:

- Buy the land: As early as the 1980s, when Austin underwent a severe real estate bust, observers have urged arts groups to buy, not rent. One group that took up that challenge in the 1990s was Vortex, whose sweet, funky clubhouse off Manor Road has been an oasis of stability and creativity. In 2002, the visionary leadership at Ballet Austin secured a first-rate home base for studios and offices in a former printing facility, now surrounded by tall towers on the western side of downtown. In another case, Austin Playhouse, whose artists have performed at more than a dozen venues, purchased land in 2019 in North Austin. In 2023, the city of Austin made a \$4.5 million investment in this project to build a venue that would serve multiple performance companies. Although details have not been confirmed, two of the city's other largest classical music groups are securing the permanent homes in East Austin and Southeast Austin. KMFA, the classical radio station, purchased land to build new studios in Austin. They moved into the Draylen Mason Music Studio and expansive additional spaces in 2021. After decades as renters, Women & Their Work, a nonprofit that promotes women artists, purchased and revamped an elegant headquarters and gallery on East Cesar Chavez Street.
- **Swim with the big fish:** As recently reported in the American-Statesman, several mid-major arts groups, such as Fusebox Festival and Impact Arts, as well as individual Austin artists, have forged mutually beneficial partnerships with <u>Texas Performing Arts</u>, the largest arts group in town. One outcome: Those artists avail themselves of the pristine facilities at the University of Texas.
- Sync up partnerships: A slew of fresh or renewed partnerships have produced new homes for Penfold Theatre in Round Rock and Austin Classical Guitar and other performance groups at The Rosette in Hyde Park. The Sterling Stage Austin, a former special events space in Northeast Austin, has recently brought together several regular renters, a partnership nurtured by ATX Theatre, a grassroots advocacy group that has done more to elevate the local theater scene than any large-scale building projects. True, some groups, such as Ground Floor Theatre and Big Medium, are undergoing intense financial challenges, but they have benefited mightily from their alliances with other similar arts groups. Some independent groups have criticized the city of

Austin for delaying the construction of a replacement for <u>Dougherty Arts Center</u>, the old military facility in Butler Park that is going away. Yet it will be partnerships and solidarity among small arts groups that will make that project happen.

• Deals with for-profits: It would have been virtually unthinkable even a few years ago for a nonprofit arts group to partner with a for-profit outfit, but that is happening more often. Like the symphony's deal with Graystar, Austin Theatre Alliance, which runs the <a href="State and Paramount theaters">State and Paramount theaters</a>, has teamed up with owners of the Hyatt Centric hotel to mutually develop their shared undergrounds spaces. The hotel also has branded its lobbies and rooms with theatrical references. The Contemporary Austin has partnered with the Loren Hotel at Ladybird Lake in efforts to promote art; the hotel underwrote the giant mural that now graces the museum's downtown location and has renovated the historic Paggi House for art showings and nonprofit events.

It is a testament to the resilience of the Austin scene that the city lost virtually none of its significant arts groups during the COVID-19 pandemic, a crisis that was compounded by radical changes in the city of Austin's cultural support system. The relative scarcity of venues and offices — for perspective, this was subject of one of my first American-Statesman columns in 1989 — remains. Yet Austin artists continue to score wins, including the symphony's latest project.

"For 25 years, I've been waiting for this to happen," says Jason Nicholson, longtime marketing director for the ensemble. "To see the symphony grow. I've seen what Peter Bay has done musically; what the board of directors has done financially; and what the staff has done all along. "This makes me proud to work here."