



City of Austin

Recommendation for Action

File #: 26-1694, **Agenda Item #:** 79.

5/21/2026

Posting Language

Approve an ordinance amending the Austin Transportation and Public Works Capital Budget (Ordinance No. 20250813-005) to accept and appropriate funds from the Austin Transit Partnership in the amount of \$4,000,000 in support of parkland mitigation related to Austin Light Rail, a component of Project Connect, and \$200,000 for design of transportation system improvements for a total amount of \$4,200,000. Funding: \$4,200,000 is available from the Austin Transit Partnership. A fiscal note is attached.

Lead Department

Austin Transportation and Public Works

Fiscal Note

Funding in the amount of \$4,200,000 is available from the Austin Transit Partnership. A fiscal note is attached.

Prior Council Action:

September 11, 2025 - Council authorized negotiation and execution of an interlocal agreement with the Austin Transit Partnership concerning acquisition of real property in support of Austin Light Rail, a component of Project Connect, on an 11-0 vote.

February 15, 2024 - Council approved Resolution No. 20240215-044 authorizing an amendment to the Joint Powers Agreement between the City, CapMetro, and the Austin Transit Partnership on an 11-0 vote.

June 6, 2023 - Council authorized an amendment and supplement to the Joint Powers Agreement between the City, CapMetro, and the Austin Transit Partnership on an 11-0 vote.

June 1, 2023 - Council approved Resolution No. 20230601-072 adopting modifications to light rail and implementation plans related to Project Connect and authorizing an amendment to the Joint Powers Agreement to incorporate the Austin Light Rail Implementation Plan on a 9-0 vote with Council Member Kelly abstaining and Council Member Harper-Madison off the dais.

November 4, 2021 - Council authorized negotiation and execution of the Joint Powers Agreement between the City of Austin, CapMetro and the Austin Transit Partnership on a 10-0 vote with Council Member Casar off the dais.

For More Information:

Richard Mendoza, Director, 512-974-2488; Liane Conte, Interim Mobility Officer, 512-974-7922; Gilda Powers, Quality Consultant, 512-974-7092.

Additional Backup Information:

This budget amendment is related to an interlocal cooperation agreement with the Austin Transit Partnership for the purpose of establishing roles and responsibilities of the respective parties concerning the design of the Austin Light Rail project (Project), a component of Project Connect, as well as related improvements and utility betterments.

Austin Transit Partnership is responsible for the planning, design, contracting, acquisition, construction, and financing of the Austin Light Rail Implementation Plan as defined in Austin City Council Resolution No. 20230601-072. Final design is the next step in advancing the Project, with Austin Transit Partnership recently onboarding its progressive design-build contractor who will complete design, permitting and construction for the Project. As the City and Austin Transit Partnership desire to cooperate in the design process, the interlocal agreement will define the duties and responsibilities of each party for the design phase of the Project. The agreement will be amended, or a supplemental agreement will be developed, to address the duties and responsibilities for construction.

As part of the National Environmental Policy Act Final Environmental Impact Statement for the Project, Austin Transit Partnership has committed to mitigation measures that reduce or avoid potential adverse impacts resulting from the Project. One of those measures is funding new, in-kind replacement bicycle lanes to mitigate the impact of removing bicycle lanes along Guadalupe Street and Lavaca Street downtown. The City will design the new bicycle lanes and Austin Transit Partnership shall compensate the City for design costs in an amount not to exceed \$200,000. This agreement will be amended, or a supplemental agreement developed, to address Austin Transit Partnership's financial responsibility for the construction of the bicycle lanes.

Per the previously authorized interlocal agreement for real estate and right of way acquisition, Austin Transit Partnership agreed to pay or reimburse the City for the City's process for changing the use of City parkland for the Project in accordance with applicable provisions of federal law, state law, and the City Charter. Austin Transit Partnership will pre-fund a portion of the City's costs relating to the process in an amount equal to \$4,000,000 in support of mitigating impacts associated with relocation of the Waller Creek Boathouse and expediting the vacation of that boathouse by a mutually agreed upon date.

This request aligns with the Project Connect Joint Powers Agreement, originally executed in 2021 and amended in 2023 and 2024, which contemplates future, or supplemental, agreements between the parties to deliver elements of the Project Connect program. The funding must be appropriated by the Austin Transit Partnership Board of Directors and will be considered at a future Austin Transit Partnership Board meeting.