



City of Austin

Recommendation for Action

File #: 26-1454, **Agenda Item #:** 31.

4/23/2026

Posting Language

Approve an ordinance amending City Code Chapter 14-11 (Use of Right-of-Way) to exempt existing historic buildings or structures from the requirement to obtain an encroachment agreement or a license agreement in order to continue encroaching into a City right-of-way or easement, provided the structure or improvement does not interfere with the City's use of the right-of-way or easement. Funding: This item is projected to result in unrealized revenue of \$18,040 in fees for each qualifying historic property in the Fiscal Year 2025-2026 Austin Transportation and Public Works Operating Budget and future budgets.

Lead Department

Austin Transportation and Public Works

Fiscal Note

Funding: This item is projected to result in unrealized revenue of \$4,405 from Land Development Engineering fees and \$13,635 from License Agreement Application fees for each qualifying historic property in the Fiscal Year 2025-2026 Austin Transportation and Public Works Operating Budget and future budgets. The application fees for all future license agreements and encroachment agreements for historic buildings or structures will no longer be generated. In addition, the fair market value for permanently encroached upon right of way by historic buildings or structures will no longer be assessed, collected and deposited into the General Fund of the City of Austin.

For More Information:

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Additional Backup Information:

The proposed amendment would allow existing buildings or structures that have been designated historic by Council to remain within a right-of-way or City easement without a license or encroachment agreement, provided the Director of Austin Transportation and Public Works determines that the structure does not interfere with the use of the right-of-way or easement. This exemption would only apply to the existing historic structures, not every improvement proposed or modified on the property, and the historic status must have been previously designated by Council.

Currently, if an owner of an existing historic building or structure seeks permits from the City to renovate or restore the building or structure, City Code requires the applicant to also seek a license or encroachment agreement for any improvements that extend into the adjacent right-of-way or a City easement, even if such improvements have existed in the right-of-way for decades and contribute to the historic designation of the building. Such agreements require additional fees and include insurance requirements, and they require the owner and any lenders to consent to the City's conditions for allowing such an encroachment to continue.

Amending Chapter 14-11 to exempt historic buildings and structures from the requirement to obtain a license or encroachment agreement in order to continue encroaching into a City right-of-way or easement will encourage the preservation of such historic buildings and structures by removing these regulatory burdens. The City will continue preserving its right to remove the encroaching building or structure if the Director of

Austin Transportation and Public Works determines it interferes with the City's use of the right-of-way or easement.

If Council approves this exemption from the entire permit requirement, then such structures will no longer need the fee waiver set forth in Section 14-11-43(C), Annual Fee, so this amendment would also remove that exemption from the Code.