



City of Austin

Recommendation for Action

File #: 25-2168, **Agenda Item #:** 2.

10/23/2025

Posting Language

Approve an ordinance waiving City Code Sections 14-11-51(A) and (E) and 14-11-54 to waive or reimburse fees incurred by the Capital Metropolitan Transportation Authority related to the relocation of its Red Line Station infrastructure as a part of the Austin Convention Center Redevelopment and Expansion Project in an amount not to exceed \$202,034. Funding: This item is projected to result in unrealized revenue in the amount of \$183,955 in the Fiscal Year 2025-2026 General Fund Operating Budget and \$18,079 in the Fiscal Year 2025-2026 Austin Transportation and Public Works Operating Budget.

Lead Department

Austin Capital Delivery Services.

Amount and Source of Funding

This item is projected to result in unrealized revenue in the amount of \$183,955 in the Fiscal Year 2025-2026 General Fund Operating Budget and \$18,079 in the Fiscal Year 2025-2026 Austin Transportation and Public Works Operating Budget.

A fiscal note is attached

Prior Council Action:

May 14, 2017 - Council approved the execution of an Interlocal Agreement with Capital Metro for the construction of a permanent downtown train station.

December 13, 2018 - Council approved Ordinance No. 20181213-106, waiving or reimbursing fees related to the construction by Capital Metro of a permanent downtown train station.

June 10, 2021 - Council approved Resolution No. 20210610-005 and Resolution No. 20210610-096 as amended, approving the Construction Manager at Risk Methodology for Convention Center Redevelopment and Expansion Project.

July 24, 2025 - Council authorized negotiation and execution of an amendment to an Encroachment Agreement with the Capital Metropolitan Transportation Authority for the relocation of infrastructure related to the permanent downtown rail station on 4th Street, between Red River Street and Trinity Street. The motion was approved on consent on Council Member Ellis' motion, Council Member Qadri's second on an 11-0 vote.

For More Information:

Direct questions regarding this Recommendation for Council Action to Director Kara Boyles 512-974-7615, Deputy Director Eric Bailey, P.E., (512) 974-7713 or CDS_RCA@austintexas.gov or [<mailto:CDS_RCA@austintexas.gov>](mailto:CDS_RCA@austintexas.gov).

Additional Backup Information:

The City of Austin has grown rapidly into a top ten preferred convention destination since opening the Austin Convention Center in 1992 and its expansion in 2002. However, the existing Convention Center has insufficient space to accommodate the growth in event demand at the Center, while the facility itself creates a

barrier between east and west, with no ground level interaction for the local community and visitors. Therefore, with the support of Council, Austin Convention Center Department embarked on the Austin Convention Center Redevelopment and Expansion Project (“Project”) to provide a larger, more efficient facility on a smaller footprint that will be a more active and community-friendly event space in the heart of Downtown Austin.

The City and Capital Metro entered an interlocal cooperation agreement on June 22, 2017, concerning the construction of a permanent rail station in downtown Austin (the “Downtown Station”). As a part of the Downtown Station project, the City and Capital Metro entered an encroachment agreement permitting Capital Metro to place infrastructure related to the Downtown Station within City right-of-way within Fourth Street between Trinity Street and IH-35. The City and Capital Metro also executed a railroad equipment easement permitting the installation of Capital Metro infrastructure on Austin Convention Center Property.

As a part of the Austin Convention Center Redevelopment and Expansion Project, some of Capital Metro’s Red Line Station infrastructure installed pursuant to the encroachment agreement and the railroad equipment easement must be relocated. The City coordinated with Capital Metro to determine appropriate new locations for Capital Metro’s infrastructure, as well as the roles and responsibilities related to the relocations. The City proposes to relocate Capital Metro’s infrastructure to the new location at the City’s cost, as a part of the Project. Council previously authorized the negotiation and execution of an amendment to the existing encroachment agreement to modify the encroachment areas for the new infrastructure location and to memorialize the City’s and Capital Metro’s coordination efforts related to the infrastructure relocation. This request asks Council to approve the waiver of City fees and permit deposits related to the modified encroachment area and infrastructure relocation. Staff prepared an itemization of fees, which includes right-of-way fees, an encroachment permit based on the land value of the additional encroachment area of 449 square feet, encroachment mailing and recording fees.

Current Year Impact:

Estimated Fees and Amounts Waived:

\$43	Recording Fee
\$11,410	Encroachment Application Fee
\$6,500	Appraisal Cost
\$183,955	Appraised Value of Encroachment
\$126	Encroachment Mailing

\$202,034	Estimated Total Fees Waived
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This project is located within District 9.