

May 1, 2026

Mayor Watson, Austin City Council Members & City Manager Broadnax,

On September 26, 2024, the Austin City Council adopted Resolution 20240926-069 directing the City Manager to work with Rally Austin and other historic preservation stakeholders to recommend a process for identifying, prioritizing, and acquiring historic properties using the Historic Preservation Acquisition Funds, to consider properties for which the City holds a first right of refusal, and to develop a financially sustainable and legally compliant stewardship model for operation and programming.

In response, City staff and Rally Austin jointly began working on a framework to implement this mandate. Staff provided the attached January 30, 2026, memorandum summarizing these efforts and recommending that Rally Austin serve as the steward of the Historic Preservation Acquisition Fund. The memorandum outlines a five-phase process leading to a program launch in summer 2026 and identifies the deliverables the City Council requested as part of the community enriched process for establishing this line of work.

Since that time, Rally Austin recruited a Historic Preservation Acquisition Fund Advisory Committee representing preservation, real estate, finance, cultural heritage, and community perspectives. Between March and April 2026, the Advisory Committee met four times to review the working documents prepared with community feedback and survey responses, best practice research, legal opinion and subject matter expertise. This process has helped align the program with community priorities and ensure transparency and accountability.

The attached Historic Preservation Acquisition Fund (HPAF) Framework presentation summarizes this work and includes the core tools developed to guide process and decision making. We are pleased to submit these materials with the proposed Interlocal Agreement (ILA) addendum to the Council. The Addendum captures the program vision, sources and uses of funds, screening criteria, governance mechanisms, and reporting requirements needed to launch the Historic Preservation Acquisition Fund. As the City's partner, Rally Austin is prepared to begin implementation immediately upon approval.

Transfer of the existing Historic Preservation Acquisition Fund balance and maintaining future appropriations is critical. Moving the funds now will allow Rally Austin to establish administrative systems, proceed with property intake and evaluation to address existing opportunities, and set aside reserves for future acquisitions, and qualified program costs.



We look forward to discussing the framework and respectfully request your approval of the ILA addendum and immediate transfer of the Historic Preservation Acquisition Funds so we can implement your vision to steward and activate Austin's historic places.

Sincerely,

A handwritten signature in black ink that reads 'Theresa Alvarez'.

Theresa Alvarez
Rally Austin CEO & President



Framework Development for Historic Preservation Acquisition Fund

April 29, 2026

HISTORIC PRESERVATION ACQUISITION FUND FRAMEWORK

BACKGROUND & DIRECTION

Resolution 20240926-069

- Directs the City Manager to work with Rally Austin and other stakeholders to create **a process for identifying, prioritizing, and acquiring historic properties that preserve cultural spaces and serve tourists, convention delegates, and the community.**
- Calls for support of **Rally Austin's role in preserving eligible Cultural Trust properties**, including rehabilitation support, historic designation assistance, and **consideration of conveying certain City owned historic properties for long term cultural use.**
- Requires development of **a financially sustainable, legally compliant stewardship model for operation, maintenance, and programming of acquired properties**, with recommendations returned to City Council.

PROCESS

Rally Proposed 5 Phase Process in December 2025

- **Rally Austin offered a five-phase process** to move the Historic Preservation Acquisition Fund from vision and partner alignment into legal, financial, and operational readiness for launch by Summer 2026.
- Proposed **a short-term advisory committee** (10 to 15 Austin volunteers) with real estate, finance, development, cultural heritage, and preservation expertise, to help shape the fund's vision, criteria, and decision-making framework for transparent, accountable, community guided implementation.
- The process **produced the core tools needed for implementation**, including the Vision & Goals Statement, Sources & Uses Memo, Property Screening Rubric, Historic Property Pipeline, and Governance & Process Diagram.

City of Austin Memo Advancing Partnership with Rally in January 2026

HISTORIC PRESERVATION ACQUISITION FUND FRAMEWORK

HPAF ADVISORY COMMITTEE

Recruitment

- Public application opened on January 30, 2026
- Recommendations from Council, City and Rally Board and Staff, Preservation experts
- Rally Austin's Cultural Trust Advisory Committee
- Direct invitations with additional promotion through event engagement & social media

Members

14 members expertise spans historic preservation, real estate acquisition and finance, architecture and adaptive reuse, construction delivery, leasing and asset stewardship, and cultural venue and creative space operations - bringing Austin rooted cultural history and heritage tourism leadership. Self reported data shows the Advisory Committee is 64 percent women and includes Black, Hispanic or Latino, Asian, and White members, with ages ranging from the 30s through 70 plus and LGBTQIA+ representation plus allies.

Rally Team: Theresa Alvarez, David Colligan, Lex Miller & Jordan McBride with Fei Dai, Board member

City of Austin: Melissa Alvarado with ACME, Kim McKnight with Planning, Meghan Wells – Rally liaison

Advisory Committee Members:

Travis Holler, Preservation Austin
Melissa Barry, Downtown Austin
Meghan King Namour, Preservation Austin
Nicole Klepadlo, Red River Cultural District
David Sullivan, UT Texas & Cultural Trust

Shawna Guevara, Landmark Structural Builders
Ellis Mumford-Russell, Post Oak Preservation
Catalina Berry, East Austin Conservancy
Will Bridges, Antone's
Lindsey Derrington, Preservation Austin

Barbra Spears-Corbett, LC Anderson Alumni
Daphne McDole, Six Square
Zac Traeger, MOHA
Ben Heimsath

HISTORIC PRESERVATION ACQUISITION FUND FRAMEWORK

HPAF ADVISORY COMMITTEE MEETINGS

Meeting 1: Wednesday, March 4, 3PM –

- Introductions to HPAFAC Members
- Review directive
- Rally Austin Introduction with Austin Cultural Trust
- City of Austin Presentation of Programs & Best Practices
- **Follow-up included** a collection of comments for revisions on draft documents and request for submission of potential sites & additional stakeholders

Meeting 2: Wednesday, March 25, 3PM -

- Review of Takeaways & Feedback from Meeting 1
- Review Draft Vision & Goals Statement
- Review Draft Property Screening Rubric
- Review intake & Examples from Rally ATX Property Pipeline

Meeting 3: Wednesday, April 7, 3pm –

- Tour of Historic site opportunities
- **Follow-up included** a survey to understand Advisory Committee member's thoughts on sites and potential application to advance work on the Property Screening Rubric

Meeting 4: Wednesday, April 22, 3pm –

- Review complete revised Vision & Goals Statement
- Review of Tour feedback and changes reflected in Scoring Rubric
- Reviewed recommendations for development of ILA Addendum





Deliverables for Partnership & Implementation

HISTORIC PRESERVATION ACQUISITION FUND

MISSION & PARTNERSHIP ALIGNMENT

VISION STATEMENT

Austin's Historic Preservation Acquisition Fund will preserve and activate historic places that attract visitors and convention delegates while remaining accessible and meaningful to residents, using heritage tourism to strengthen cultural stewardship, inclusive access, and long-term community value.

RALLY ATX's ROLE

Rally Austin serves as the City's strategic acquisition and stewardship partner for the Historic Preservation Acquisition Fund by identifying, evaluating, structuring, acquiring, and managing historic properties and related preservation activities that demonstrably promote tourism and convention visitation, while applying disciplined underwriting, leveraging complementary capital and partners, and conducting project specific legal and financial review for each use of HOT funds.

GOALS of the PARTNERSHIP

- **Primary Goal:** To deploy Historic Preservation Acquisition Funds to identify, acquire, preserve, and activate historic properties and related preservation activities that demonstrably promote tourism and convention visitation in compliance with Texas Tax Code §351.101(a)(5).
- **Secondary Goals:** To steward those investments in ways that expand cultural access, support long term preservation and responsible operations, leverage additional partners and capital where appropriate, and advance equity, sustainability, and community benefit as policy priorities among otherwise eligible projects.

HISTORIC PRESERVATION ACQUISITION FUND

HISTORIC PROPERTY PIPELINE

An internal working inventory used to identify, organize, and monitor potential acquisition and stewardship opportunities for historic and cultural properties. It supports identifying opportunities that arise through market activity, community input, off market relationships, and coordination with the City on public sites and first right of refusal matters.

MARKET BASED SOURCING

- **Methodology:** Monitor MLS, Crexi, LoopNet, and similar listing platforms on an ongoing basis to identify properties that may align with preservation, cultural use, tourism, and acquisition readiness.
- **Examples of information collected:** Property address, asking price, square footage, listing status, zoning, building type, historic designation or potential eligibility, broker contact, and timing of availability.

RELATIONSHIP DRIVEN & OFF MARKET LEADS

- **Methodology:** Gather opportunities through direct relationships with property owners, brokers, preservation partners, cultural organizations, and neighborhood stakeholders before sites are formally marketed.
- **Examples of information collected:** Ownership interest, potential sale or transfer timing, mission alignment, cultural significance, redevelopment pressure, tenant conditions, and early partnership or conveyance possibilities.

HISTORIC PRESERVATION ACQUISITION FUND

HISTORIC PROPERTY PIPELINE

PUBLIC & STAKEHOLDER SITE REFERRALS

- **Methodology:** Accept submissions and referrals from community members, tenants, advocates, and other stakeholders through outreach, direct communication, and public engagement channels.
- **Examples of information collected:** Property name and address, why the site matters, current use, known threats, community importance, site condition, operator needs, and supporting photos or background materials.

CITY COORDINATION & PUBLIC SITE REVIEW

- **Methodology:** Coordinate with City departments to review City owned properties, sites that may merit preservation, and properties for which the City may hold a first right of refusal or other disposition interest.
- **Examples of information collected:** Ownership or control status, current public use, preservation needs, transfer or conveyance potential, legal or operational constraints, and conditions for long term cultural use or partnership.

PRESERVATION & COMMUNITY PARTNER COORDINATION

- **Methodology:** Continue sourcing and refining opportunities through coordination with preservation partners, the Historic Landmark Commission, cultural organizations, and other community stakeholders, while drawing on relationships and insights developed through the Advisory Committee process.
- **Examples of information collected:** Candidate sites raised through preservation networks, historic context and cultural significance, designation status or pathway to designation, known threats, community priorities, and partnership opportunities for stewardship, programming, or advocacy.

HISTORIC PRESERVATION ACQUISITION FUND

GOVERNANCE & PROCESS

A simplified view of how Rally Austin moves a property from sourcing to possible acquisition through a staged process. At each step, Rally is collecting site information, testing historic and cultural significance, underwriting financial feasibility, evaluating activation potential, confirming eligibility under available funding sources, and identifying any additional capital or partners needed before moving forward.



HISTORIC PRESERVATION ACQUISITION FUND

PROPERTY SCREENING RUBRIC

A structured tool Rally Austin uses to consistently evaluate historic site opportunities based on preservation value, tourism and activation potential, funding and feasibility, and long-term stewardship, while also considering broader community priorities.

PRIMARY CRITERIA

- **Historic Preservation Status & Threat:** Historic significance, designation status or pathway, physical condition, and urgency of intervention.
- **Tourism & Activation Potential:** Ability to attract visitors and convention delegates through cultural, creative, educational, or heritage use.
- **Legal & Funding Source Fit:** Alignment with HOT requirements, eligible uses, and potential to layer additional lawful funding sources.
- **Financial Feasibility & Capital Need:** Acquisition cost, rehabilitation need, operating outlook, and long-term investment requirements.
- **Availability & Deal Readiness:** Market availability, ownership interest, timing, and Rally's ability to pursue site control.
- **Stewardship & Operating Fit:** Long term ownership, partner model, programming feasibility, and operational sustainability.

SECONDARY POLICY PRIORITIES

- **Community & Cultural Significance:** Under told stories, cultural authenticity, and importance to Austin's identity.
- **Equity & Inclusive Access:** Contribution to broader equity goals and access for residents across communities.
- **Sustainability & Adaptive Reuse:** Benefits of preserving and reusing existing buildings as part of long-term stewardship.

HISTORIC PRESERVATION ACQUISITION FUND

NEXT STEPS

CONSIDERATION OF ILA ADDENDUM

All the information collected – from the Advisory Committee’s feedback, to community input, legal analysis, and financial framework for stewardship of the Historic Preservation Acquisition Fund - assembled into an ILA Addendum that defines the program’s vision, sources and uses, screening criteria, governance, and oversight terms for consideration by the Rally Board and Austin City Council during the July 23, 2026, Meeting.

TRANSFER OF RESOURCES

We are seeking immediate transfer of the Historic Preservation Acquisition Fund balance, so Rally Austin can organize and actively manage the fund, advance intake and evaluation of pipeline properties, and establish reserves for administrative support, future acquisitions, and urgent preservation opportunities. Immediate transfer will also strengthen the City and Rally Austin’s ability to move quickly and responsibly when high priority sites emerge, and urgency requires timely action.

DEPLOYMENT & ONGOING PROGRAM MANAGEMENT

- **Launch program operations and public facing infrastructure:** Update Rally Austin’s website, communications, and portfolio materials to reflect the Historic Preservation Acquisition Fund, explain its connection to Rally’s broader work, and create clearer pathways for property submissions, public updates, and future reporting on acquired or held assets.
- **Advance near term opportunities while refining the pipeline:** Begin evaluating immediate acquisition and activation opportunities, while continuing to strengthen and update the internal property pipeline to guide future site transfers, preservation actions, and investment decisions.

→ Join us in securing
Austin's historic places
for the future.



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