



MEMORANDUM

**To:** Mayor and City Council

**Through:** Ed Van Eenoo, Chief Financial Officer *EW*  
Mike Rogers, Assistant City Manager *MR*

**From:** Kimberly Olivares, Director, Austin Financial Services *KSO*  
Richard Mendoza, Director, Austin Transportation and Public Works *AM*

**Date:** January 9, 2026

**Subject:** **Our Future 35 Cap and Stitch Program Update**

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The purpose of this memorandum is to provide updates shared at the December 4, 2025, Mobility Committee regarding the Interstate 35 (I-35) Cap and Stitch program and staff's recommendation for the two Northern Stitch roadway elements extents and locations. The full Mobility Committee presentation and meeting recording is available at [Mobility Committee | AustinTexas.gov](#).

**OUR FUTURE 35 CAP AND STITCH PROGRAM UPDATE**

Recent changes to Texas Department of Transportation's (TxDOT) construction schedule impact the direction provided in [Resolution No. 20250522-042](#). That resolution authorized the City to negotiate and execute an Advanced Funding Agreement (AFA) with TxDOT, committing up to \$104 million, comprised of a \$41 million Texas State Infrastructure Bank Loan, \$63 million in tax-exempt Certificates of Obligation, or other funding sources, as identified by the City Manager. The funds are designated for Phase 1 roadway elements at the following locations: Cesar Chavez to 4<sup>th</sup> Street; 4<sup>th</sup> Street to 7<sup>th</sup> Street; 11<sup>th</sup> Street to 12<sup>th</sup> Street; and two 300-foot stitches from 41<sup>st</sup> Street to the Red Line with input from the community. The City is responsible for all cost overruns associated with construction of the roadway elements. Funding Phase 1 roadway elements effectively "futureproofs" the possibility of providing cap decks at these locations should partners and additional funding be identified.

This summer, TxDOT informed City staff that due to the scale of the Capital Express Central project, construction will now be delivered in two separate letting (bid) packages: an advanced construction package scheduled for construction 2027-2031, and an ultimate construction package planned for construction 2029-2033. The City funded roadway elements, East Avenue Trail betterments, and any Phase 2 cap decks included in the bid package or as future change orders, will be designed and constructed as part of the ultimate construction package.

Final design for the City-committed roadway elements are now scheduled to be completed in 2028, as opposed to the original milestone of 2026, and construction will now be delayed three years to 2029. Because the City is responsible for all cost overruns, the delay in design, associated cost estimates, and construction bids present some risk. However, the current Phase 1 cost estimate provided by TxDOT

based on 30% design completion includes a \$17.33 million line-item contingency (20% percent) as part of the \$104 million City commitment to account for potential cost escalation.

While the City has not yet committed to the Phase 2 cap deck elements, TxDOT now requires the City's funding commitment for cap decks by May 2026 (originally November 2026) for inclusion in the original bid package. Due to the recently extended project timeline, design for cap decks will not begin until 2027, after the City's funding commitment. Final cost estimates and construction bids will not be available until early 2028, though the City continues to be responsible for all cost overruns. TxDOT has confirmed that Phase 2 cap decks may be added to the project at any time after May 2026 as change orders, up through completion of the CapEx project, currently anticipated for 2033.

### **NORTHERN STITCHES**

[Resolution 20250522-042](#) also directed staff to create *“two 300-foot stitches from 41st Street to the Red Line or a contiguous equivalent within the cost parameters set herein and with the intent to connect Red Line Parkway, the East Avenue Trail, and 41st Street, ensuring viable space for future buildings and trees, and subject to further refinement with the community.”* The roadway elements or both stitches are limited to a maximum of \$24 million, and TxDOT required the City to identify the two stitch locations and extents by December 2025.

**Community Engagement.** Engagement activities were conducted over a two-month period with both community stakeholders and the broader public to ensure that the final staff recommendation reflects community priorities, technical feasibility, and fiscal responsibility. This fall, staff, TxDOT, and the Northern Stitch Community Stakeholders which included residents and organizations from the surrounding neighborhoods recommended by council members, refined four stitch alternatives and cost estimates grounded in the corridor's engineering constraints and community's priorities. See Attachment A for the four alternatives.

A public Open House to review the four stitch alternatives and gather input was held Saturday, November 22, 2025, at the Austin Public Library Carver Branch. More than 100 participants attended. Each attendee was invited to rank their level of support for each alternative using a dot-voting Likert scale ranging from “highly supportive” to “not supportive.” Staff also collected verbal comments and written notes to further capture community perspectives. See Attachment B for the engagement summary.

**Staff Recommendation.** After evaluating all four alternatives, staff recommends Option B: Red Line Stitch + 41st Street Split as the preferred extent for the two northern stitches. See Attachment C for staff evaluation criteria and results.

Option B is the most fiscally responsible alternative while still reflecting the community's expressed desire for both a pedestrian and bicycle connection across the highway, and a split configuration at 41st Street. It provides the strongest balance between active transportation mobility benefits, feasibility, and cost.

Per the Phase 1 cost estimates presented at the May 6, 2025, City Council Work Session, the total construction cost for the roadway elements for both northern stitches is limited to a maximum of \$24 million of the \$104 million total approved by Council. The estimated Phase 1 roadway elements cost for Option B is \$8.4 million of the \$24 million, preserving \$15.6 million for potential additional cost overruns, escalation, and any other unforeseen cost impacts. Per TxDOT's terms, the City is responsible for all roadway element cost overruns.

## BOARDWALK

Austin Parks and Recreation staff provided an update at the Mobility Committee on the impact of the I-35 expansion on parkland from 2025 through 2033. Details were shared on the proposed boardwalk that is expected to be fully funded by TxDOT and will be located along south shore of Lady Bird Lake adjacent to the Hyatt Regency hotel. Staff will provide an update to the City Council when TxDOT plans are finalized.

## NEXT STEPS & DECISION MILESTONES

At the Mobility Committee, staff shared the following timeline for decisions:

- **Early 2026:** City Manager's Office will host Council 1:1s leading up to a March 2026 work session.
- **March 2026:** Staff present Cap and Stitch funding plan at Council work session in response to [Resolution No. 20250522-105](#). Elements will include:
  - Recommended funding strategy for cap decks and amenities
  - Strategies for safeguarding the City against potential cost escalation
  - Phasing strategies for deck and amenity design and construction funding
  - Timing and estimates for private / philanthropic participation
- **May 2026:** TxDOT deadline to include future cap decks in the bid package. City Council action is required.
- **December 2026+:** Cap decks can be included via change orders.

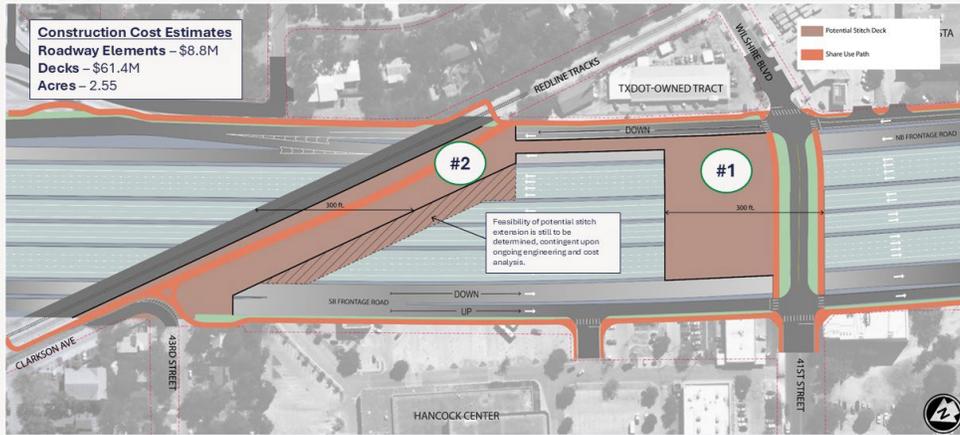
Should you have questions, feel free to contact [Kimberly.Olivares@austintexas.gov](mailto:Kimberly.Olivares@austintexas.gov) or [Richard.Mendoza@austintexas.gov](mailto:Richard.Mendoza@austintexas.gov)

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CMO Executive Team  
Department Directors

Attachments: A. Northern Stitch Options  
B. Northern Stitch Alternatives: Public Engagement Summary  
C. North Stitch Alternatives: Staff Evaluation Criteria and Results

## ATTACHMENT A. NORTHERN STITCH OPTIONS

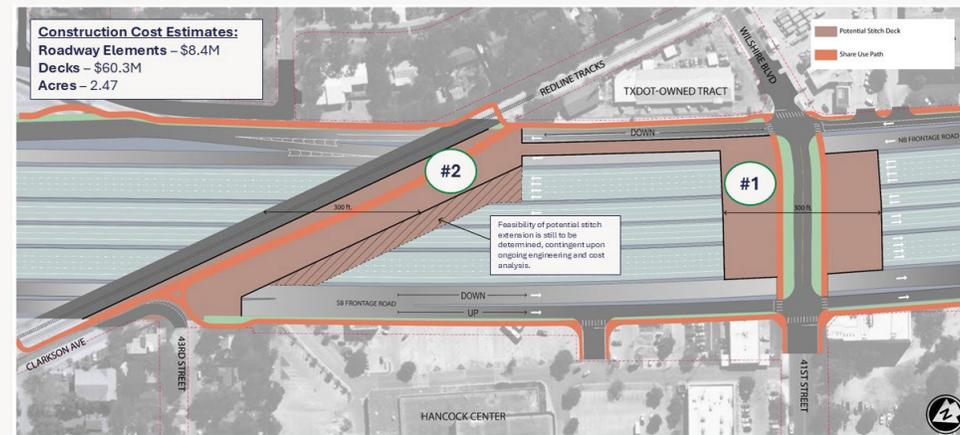
### Option A: Red Line Stitch + 41<sup>st</sup> Stitch



For discussion purposes only; the ultimate layout and cost estimates are still under evaluation. 11/22/2025

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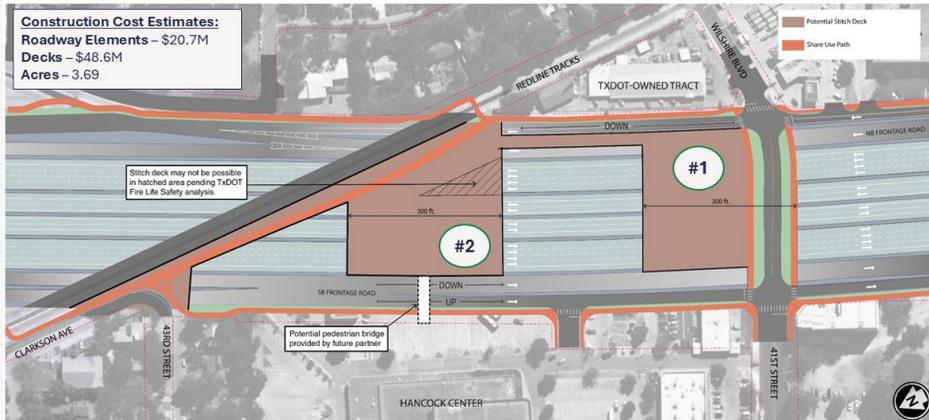
### Option B: Red Line Stitch + 41<sup>st</sup> Split Stitch



For discussion purposes only; the ultimate layout and cost estimates are still under evaluation. 11/22/2025

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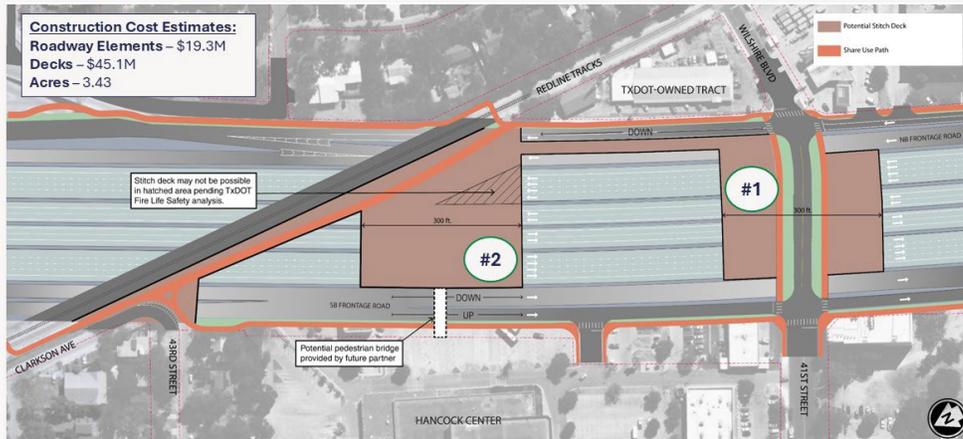
## Option C: Hancock Stitch + 41<sup>st</sup> Stitch



For discussion purposes only; the ultimate layout and cost estimates are still under evaluation. 11/22/2025

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## Option D: Hancock Stitch + 41<sup>st</sup> Split Stitch



For discussion purposes only; the ultimate layout and cost estimates are still under evaluation. 11/22/2025

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## ATTACHMENT B. Northern Stitch Alternatives: Public Engagement Summary

### Northern Stitch Community Stakeholders Meetings

Dates: 9/3/2025, 10/17/2025, 10/30/2025, 11/05/2025, 11/13/2025

Attendees:

Northern Stitch Community Stakeholders - Brian Bedrosian, Mudita Bilay, Jana McCann, Spencer Schumacher, Tom Wald, Heyden Walker, Jim Walker, Bart Whatley, Brendan Wittstruck

City of Austin – Heather Bishop, Sadra Dehghan, Brianna Frey, Mike Hargis, Alyssa Ruiz, Nathan Wilkes, Julia Camarot (AECOM)

TxDOT – Tommy Abrego, Heather Ashley-Nguyen, Eric Bennett, Jennifer Donovan, Travis Falls (Volkert), Bethany Shearrer (Volkert), Jeremy Vezina (Volkert)

Discussion:

Throughout these meetings, community stakeholders brought forward technical questions and stitch layout proposals that were discussed and reviewed for feasibility by City and TxDOT staff.

TxDOT provided clarity on the following technical topics of interest:

- Extension of stitch decks past 300 feet and the associated Fire, Life, and Safety analysis
- Roadway design and elevation constraints that prevent stitch decks from being placed over certain portions of the frontage roads
- Engineering feasibility of shifting and/or closing the Hancock Center Frontage road driveway
- Engineering feasibility of various stitch layouts provided by City (in collaboration with the community stakeholders)

As part of their efforts, the community stakeholders shared the following goals with the City to serve as guiding design principles for the northern stitches:

- Integrate best practices of urban design and environmental responsibility to deliver a beautiful and sustainable urban landscape that creates high-quality, tree-shaded pathways and beloved community places.
- Locate and "size" the new stitches to maximize and enhance east-west connectivity that:
  - Reconnects communities,
  - Creates and connects future redevelopment opportunities,
  - Creates new community spaces and facilities,
  - Minimizes negative interaction with the freeway below, and
  - Provides high benefits for the cost, i.e., is fiscally responsible, highly constructible and maintainable

The collaboration between the northern stitch community stakeholders and City staff ultimately resulted in a total of four stitch alternatives that vary in stitch arrangement around the 41st bridge, as well as near the CapMetro Red Line tracks. Specifically, the four alternatives were:

- Option A: Red Line Stitch + 41st Stitch
- Option B: Red Line Stitch + 41st Split Stitch
- Option C: Hancock Stitch + 41st Stitch
- Option D: Hancock Stitch + 41st Split Stitch

### Northern Stitch Open House

Day/Time: Saturday, November 22, 2025, 11 a.m. - 1 p.m.

Location: Carver Branch Library Meeting Room, 1161 Angelina St., Austin TX

Attendees: Over 100 attendees (including families)

Activities: Attendees were invited to join the City of Austin for an Our Future 35 open house to learn about options for two stitches over I-35 between 41st Street to the Red Line rail crossing and to share input on their location and boundaries.

City staff were available to answer questions in an open, informal setting and explain the technical considerations for each of the options. This was a come-and go event—attendees stopped by at their convenience, explored the options, asked questions and shared their comments to make their perspective heard. Their feedback was solicited to help shape the City's commitment in December 2025.

#### Dot Voting Activity Description:

City staff developed boards that provided information on each stitch alternative's pros, cons, total costs, and physical attributes. Each board's activity instructed the public to review and indicate their level of support on each alternative on a simple preference scale, a 1 "Strongly Dislike" to 5 "Strongly Support" scale. Open House participants were provided 4 voting dots and were encouraged to place a dot on each board. This approach can provide clear, measurable data on which alternatives are most supported by participants without implying that any one single factor will determine the City's recommendation.

Because of the project's compressed timeline, this structured activity focuses on understanding community preferences rather than collecting open-ended design feedback that cannot be meaningfully reflected before the current project stage.

#### Board Dot Weighting Activity Results:

| RATING   | 5<br>Strongly<br>Like | 4<br>Like | 3<br>Neutral | 2<br>Dislike | 1<br>Strongly<br>Dislike | Total |
|----------|-----------------------|-----------|--------------|--------------|--------------------------|-------|
| Option A | 8                     | 10        | 4            | 5            | 16                       | 43    |
| Option B | 75                    | 12        | 4            | 9            | 10                       | 110   |
| Option C | 62                    | 14        | 9            | 5            | 11                       | 101   |
| Option D | 74                    | 11        | 6            | 4            | 12                       | 107   |
| Total    | 219                   | 47        | 23           | 23           | 49                       |       |

#### Engagement Feedback Summary

- Many in support of the Red Line Stitch in Options A & B asked if a mid-block crossing of the western frontage road (a publicly desired pedestrian bridge to be funded by a partner) could be explored since it appears many of those who voted Options C & D desired the mid-block frontage road crossing. Staff had not verified this feasibility of a privately funded pedestrian bridge over the frontage road with TxDOT prior to the Open House, but staff estimate it is in fact feasible. Staff have confirmed with TxDOT that an at-grade mid-block crossing is not feasible.
- Many in support of Options A & B liked the smaller Phase 1 cost estimate.

- Many in support of Options A & B were in support of the pedestrian/bicycle crossing being more nature focused (i.e. not a development site).
- Many in support of Options A & B felt the Shared Use Path crossing was easier to implement rather than the need to rely on a third-party developer to complete the east/west crossing at a potential Hancock stitch (Options C & D)
- The majority of those who voted “Strongly Like” for C & D liked that the Hancock stitch provided opportunity for buildings, as opposed to Options A & B that do not allow for buildings on the stitch.
- Many in support of Options C & D liked that it created a new car-free crossing (albeit one that relies upon a publicly desired pedestrian bridge to be funded by a partner) as opposed to Options A & B that only enhances an existing car-free crossing. Many felt that TxDOT’s planned Option C & D’s Red Line crossing of 87 feet is sufficiently wide and the pedestrian/bike crossing does not need additional width. TxDOT later clarified that this was a measurement error: the crossing is actually 41 feet wide, with the adjacent 46-foot railroad bridge bringing the total to 87 feet. Many in support of Options C & D communicated that funding the additional width to the Red Line Shared Use Path’s extra width per Options A & B were not worth the expense since no buildings will be permitting on the stitch.
- Many in support of Options C & D communicated that the mid-block crossing over the western frontage road (a publicly desired pedestrian bridge that would require funding by a partner) is a more functional east/west connection rather than the longer route required to traverse the Red Line Stitch in Options A & B.
- For those that prioritized Options A & B over C & D, there was a lack of confidence in the Shared Use Path width of the TxDOT planned Red Line crossing measurement illustrated on the boards, and questions to other measurements not labeled on the boards. TxDOT later clarified that this was a measurement error: the crossing is actually 41 feet wide, with the adjacent 46-foot railroad bridge bringing the total to 87 feet.
- For the 41<sup>st</sup> Street stitch options, there was broad consensus that the 41<sup>st</sup> Street “split” option is desired (per Option B and Option D). Notable preferences and comments for the split stitch pointed to urban design, highway noise mitigation, as well as visual effects and benefits.
- Many who were in support of buildings on Options C & D also had concerns of parking overflowing into surrounding neighborhoods by visitors who cannot walk and bike to the developed stitches. Staff confirmed parking cannot be accommodated on the cap decks, and parking would need to be managed off-cap.
- Many wanted to know more about TxDOT plans with the now TxDOT owned-Rockshop site, as well as the CapMetro station plans for the area. Staff were only able to provide limited information that has been provided by TxDOT and CapMetro, including that TxDOT does not have long-term plans yet defined for the Rockshop site, and CapMetro only has a conceptual Red Line Commuter Rail station plan for the area.

#### Comment Card Summary

- Comment cards focused on a desire for greater east-west pedestrian connectivity, entirely separated from car traffic, than shown in the options presented.
- Comment cards expressed appreciation for the information shared in Open House.

### ATTACHMENT C. Northern Stitch Alternatives: Staff Evaluation Criteria and Results

City staff developed the following criteria and scores to evaluate and determine the staff recommended northern stitch alternative that would be submitted to TxDOT as the City’s final extent and location recommendation.

Staff began their staff evaluation after the four northern stitch alternatives were drafted by the collaborative working group, and finalized the evaluation after the November 22 Open House. The evaluation criteria is an improved methodology from the Cap Prioritization Matrix utilized by staff to inform City Council [Resolution 20250522-42](#).

| EVALUATION CRITERIA                  | DESCRIPTION  | SCORING SYSTEM   |
|--------------------------------------|--|--|
| Transportation Connectivity & Safety | Improves pedestrian and bicycle access across I-35.  | <p>3 pts = Alternative strongly meets the criterion with clear, direct benefits and fewer uncertainties.</p> <p>2 pts = Alternative provides meaningful benefits, but with notable tradeoffs or dependencies.</p> <p>1 pt= Alternative meets the criterion only minimally or with significant uncertainties.</p> |
| Transportation Inclusivity           | Comfortable and appealing multi-modal access to both local and regional destinations.                              | <p>3 pts = Alternative strongly meets the criterion with clear, direct benefits and fewer uncertainties.</p> <p>2 pts = Alternative provides meaningful benefits, but with notable tradeoffs or dependencies.</p> <p>1 pt= Alternative meets the criterion only minimally or with significant uncertainties.</p> |
| On-Cap Economic Opportunity          | Relative potential to support small local retail and recreation vendors on the stitches or on adjacent properties. | <p>3 pts = Alternative strongly meets the criterion with clear, direct benefits and fewer uncertainties.</p> <p>2 pts = Alternative provides meaningful benefits, but with notable tradeoffs or dependencies.</p> <p>1 pt= Alternative meets the criterion only minimally or with significant uncertainties.</p> |
| Leverage Potential                   | Relative potential to access grant funding or private/non-profit sponsors.   | <p>3 pts = Alternative strongly meets the criterion with clear, direct benefits and fewer uncertainties.</p> <p>2 pts = Alternative provides meaningful benefits, but with notable tradeoffs or dependencies.</p> <p>1 pt= Alternative meets the criterion only minimally or with significant uncertainties.</p> |

| EVALUATION CRITERIA          | DESCRIPTION   | SCORING SYSTEM   |
|------------------------------|---|--|
| Requisite coordination       | Demonstrated feasibility of project completion and identified relationships.                              | <p>3 pts= The ability to deliver the stitch is feasible without adjacent property owner participation, and there are no unresolved access needs.</p> <p>2 pts= Partnerships with CapMetro will be feasible, and the City has demonstrated recent success delivering comparable projects.</p> <p>1 pt= Delivery depends on future negotiations outside of City control, as well as access that cannot be guaranteed through existing public jurisdictions.</p> <p>0 pt= The City is unsure if alternative is feasible through financing, access, and partnership pursuit.</p> |
| Stitch Visibility and Access | The public can see, reach, and safely use each stitch from adjacent roadways and surrounding developments | <p>3 pts= Stitch locations are highly visible and accessible from adjacent roadways and developments.</p> <p>2 pts= Stitch locations are relatively visible and accessible from adjacent roadways and developments.</p> <p>1 pt= Stitch locations have some visibility or access issues from adjacent roadways and developments, creating potential safety or utility servicing issues.</p> <p>0 pts= Stitch locations suffer from significant visibility or access issues.</p>  |
| Roadway Element Costs        | Estimated cost to deliver roadway elements.   | <p>4 pts= Significantly less than Council-approved maximum (&lt;\$10M)</p> <p>3 pts= Much less than Council-approved maximum (\$10-14.9M)</p> <p>2 pts= Somewhat less than Council-approved maximum (\$15-19.9M)</p> <p>1 pt= Slightly less than Council-approved maximum (\$20-24M)</p>   |

EVALUATION RESULTS



**Option A: Red Line Stitch + 41st Stitch**

| CRITERIA                             | EVALUATION |
|--------------------------------------|------------|
| Transportation Connectivity & Safety | 3          |
| Transportation Inclusivity           | 3          |
| Economic Impact                      | 2          |
| Leverage Potential                   | 3          |
| Requisite Coordination               | 2          |
| Stitch Visibility and Access         | 2          |
| Roadway Element Costs                | 4          |
| <b>Score:</b>                        | <b>18</b>  |

**Construction Cost Estimates:**  
 Roadway Elements – \$8.8M  
 Decks – \$61.4M  
 Acres – 2.55

For discussion purposes only; the ultimate layout and cost estimates are still under evaluation.

12/8/2025

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**Option B: Red Line Stitch + 41st Split Stitch**

| CRITERIA                             | EVALUATION |
|--------------------------------------|------------|
| Transportation Connectivity & Safety | 3          |
| Transportation Inclusivity           | 3          |
| Economic Impact                      | 2          |
| Leverage Potential                   | 3          |
| Requisite Coordination               | 2          |
| Stitch Visibility and Access         | 2          |
| Roadway Element Costs                | 4          |
| <b>Score:</b>                        | <b>18</b>  |

**Construction Cost Estimates:**  
 Roadway Elements – \$8.4M  
 Decks – \$60.3M  
 Acres – 2.47

For discussion purposes only; the ultimate layout and cost estimates are still under evaluation.

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## Option C: Hancock Stitch + 41st Stitch

| CRITERIA                             | EVALUATION |
|--------------------------------------|------------|
| Transportation Connectivity & Safety | 3          |
| Transportation Inclusivity           | 2          |
| Economic Impact                      | 3          |
| Leverage Potential                   | 2          |
| Requisite Coordination               | 1          |
| Stitch Visibility and Access         | 1          |
| Roadway Element Costs                | 1          |
| <b>Score:</b>                        | <b>13</b>  |

**Construction Cost Estimates:**  
 Roadway Elements – \$20.7M  
 Decks – \$48.6M  
 Acres – 3.69

For discussion purposes only; the ultimate layout and cost estimates are still under evaluation.

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## Option D: Hancock Stitch + 41st Split Stitch

| CRITERIA                             | EVALUATION |
|--------------------------------------|------------|
| Transportation Connectivity & Safety | 3          |
| Transportation Inclusivity           | 2          |
| Economic Impact                      | 3          |
| Leverage Potential                   | 2          |
| Requisite Coordination               | 1          |
| Stitch Visibility and Access         | 1          |
| Roadway Element Costs                | 2          |
| <b>Score:</b>                        | <b>14</b>  |

**Construction Cost Estimates:**  
 Roadway Elements – \$19.3M  
 Decks – \$45.1M  
 Acres – 3.43

For discussion purposes only; the ultimate layout and cost estimates are still under evaluation.

12/9/2025

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Option B is the most fiscally responsible alternative while still reflecting the community’s expressed desire for both a pedestrian and bicycle connection across the highway, and a split configuration at 41st Street. It provides the strongest balance between active transportation mobility benefits, feasibility, and cost.