





MEMORANDUM

TO: Mayor and Council Members

THROUGH: Veronica Briseño, Assistant City Manager 

FROM: Lauren Middleton-Pratt, Planning Director 

DATE: July 26, 2024

SUBJECT: **Palm District Plan - Southeast Downtown Coordination**

On September 21, 2023, the City Council adopted the Palm District Plan as an attachment to the Imagine Austin Comprehensive Plan by [Ordinance No. 20230921-103](#). In addition, the Council approved [Resolution No. 20230921-102](#) accompanying the Plan and directed staff to update the City Council on implementation. This memo provides an update on several significant initiatives moving forward in the district that support implementing the Palm District Plan.

Palm School Site Concept Planning

Travis County is leading efforts to evaluate options and develop a concept plan for the future of the Palm School site. The County has formed a Steering Committee for this effort and will be onboarding a consultant to support conceptual site-planning activities. The planning process is intended to guide the preservation of the Palm School property for community-focused purposes and provide a gateway to the Palm District. More information is available on Travis County's [Palm School Concept Planning Process website](#).

Convention Center Expansion

Austin City Council approved design and construction contracts for the redevelopment of the Convention Center in October 2023. LMN architects and Page are operating as a joint venture to provide design and architectural engineering services. JE Dunn Construction and Turner Construction, also a joint venture, will deliver pre-construction and construction services. Design work for the redevelopment and expansion of the Convention Center is well underway, with concept design slated to wrap up this summer. Demolition is expected to begin in April 2025 with reopening anticipated by January 2029. The Convention Center is a significant feature in the Palm District, and the redevelopment will create opportunities for cultural spaces in parcels owned by City of Austin, as called for in the Palm District Plan. More information can be found on the [Austin Convention Center Expansion and Redevelopment website](#).

Waterloo Greenway Development

Construction of the Confluence within the Waller Creek District is underway, including near completion of the biofiltration pond at 3rd Street. South of Cesar Chavez Street, construction is underway on stormwater infrastructure, limestone retaining walls, and the elevated in-creek boardwalk. Design for Palm Park is also underway. Community engagement kicked off last fall and a summary report of the feedback received at the engagement events was published in December 2023. An updated design was presented to the community in April 2024, and a report summarizing the entire community engagement process will be available to the public in early summer 2024. Implementation of the Waller Creek Plan was recommended in the Palm District Plan. Additional information can be found in the latest [Spring 2024 Waller Creek LGC Progress Report](#).

Mobility Improvements

- **I-35 Capital Express**

Construction is anticipated to begin in late 2027 on the central portion of the IH 35 Capital Express project between Martin Luther King, Jr. Boulevard and Holly Street. In addition to moving the highway below grade, the project will add two HOV lanes in both directions and create pedestrian- and cyclist-only bridges at 3rd, 4th, and 15th Streets. In preparation for the primary construction, multiple secondary projects are anticipated to begin in late 2025 including the construction of a drainage tunnel and pump stations below I-35 and East Cesar Chavez Street. More information about the CapEx Central project is available at the [I-35 Capital Express website](#).

Planning for the Our Future 35 Project, which will include a highway cap between Cesar Chavez and 4th Street, is underway, and U.S. Representative Lloyd Doggett announced on March 11 that the Our Future 35 project received a \$105.2 million U.S. Department of Transportation Neighborhood Access and Equity grant, established by the Inflation Reduction Act. In partnership with community stakeholders and the Austin Economic Development Corporation, the City is crafting an Equitable Development Strategy that will help ensure that the new public spaces are creating benefits for existing and former residents. The strategy may include programming recommendations for new caps and policy and programmatic recommendations to help stabilize surrounding neighborhoods, as recommended in the Palm District Plan.

- **Project Connect**

The Austin Transit Partnership released an implementation plan in Spring 2023 that includes a Phase 1 Light Rail Alignment. Design and environmental work is currently underway. Austin Light Rail Phase 1 will serve the Palm District with a station in the vicinity of the intersection of Cesar Chavez Street and Trinity Street. More information is available on the [Project Connect Light Rail website](#).

- **Austin Core Transportation Plan**

The Austin Core Transportation (ACT) Plan is a study of transportation and mobility options into, out of, through, and within Downtown Austin. The ACT Plan will coordinate with and facilitate several major downtown projects: Project Connect, I-35 Capital Express Central, and the Palm District Planning Initiative. The Austin Core Transportation (ACT) Plan is in the final stages of plan development and is anticipated to be completed by the end of summer 2024. The final draft will be presented to boards and commissions before going to the City Council for adoption.

Cultural Resources

The Economic Development Department (EDD) has made progress in developing incentive programs for live music venues and creative spaces through several amendments to the land development code as directed by [Resolutions No. 20230921-102](#), [No. 20220728-094](#), and [No. 20220901-089](#). On September 14, 2023, the City Council adopted amendments to the land development code that increased the allowances for creative uses across the city, and EDD staff have been working closely with departmental partners and community stakeholders to develop additional incentives for performance venues and cultural districts including a Cultural District Overlay and potential future amendments to support cultural space within the Downtown Density Bonus Program.

Staff at EDD also began the reassessment of the existing Business Expansion Incentive Program guidelines under City of Austin's Chapter 380 Program in August of 2023 with the expectation to bring forth recommendations to support small business growth. Staff engaged professional consultants for independent analysis and conducted focus groups in the spring of 2024 to implement recommended program improvements to support greater accessibility and improved Chapter 380 Program performance.

Additionally, in response to direction by Council through [Ordinance 20180830-058](#), EDD staff have diligently worked on the development of a location enhancement program focused on commercial affordability for tenants of commercial space with the intention of alleviating both short and long term financial challenges. Staff have engaged in a thorough process with professional consultants, community stakeholders, and staff to develop recommended programs that will benefit small, local, and heritage businesses, non-profits, cooperatives, and the creative sector. EDD staff expects to move forward with these initiatives for Council consideration in the second half of 2024.

In addition, as directed by the original Palm District resolution, EDD Economic and Cultural District staff have been working with professional consultants in the development of the 5th Street Mexican Heritage Corridor. EDD have executed contract services for Phase 1, which includes community organizing/ education and leadership coalition building, with a goal of diverse representation of businesses, legacy families, and community members that have interest in the cultural district. Activities related to Phase 1 are expected to continue through fall 2024, before embarking on Phase 2, which will consist of the development of a Cultural Tourism Plan. The EDD programs support the local creative economy, as recommended in the Palm District Plan.

The memo does not have updates at present for the following items referenced in the resolution: amendments to the Downtown Austin Plan; governance; alternative name for the district; public safety plans; use of ground floors within public-private developments; and the future of the Castleman Bull House. Additional updates will be provided as implementation continues.

Should you have any questions, please contact Erica Leak, Planning Department Development Officer, at erica.leak@austintexas.gov.

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