City of Austin

Recommendation for Action

File #: 26-1530, **Agenda Item #:** 26. 4/23/2026

Posting Language

Authorize negotiation and execution of an amendment to the lease agreement with Open Lending LLC, a Texas limited liability company, for 25,368 square feet of office space in the City's One Barton Skyway Building, part of two administrative office buildings to serve as a new Public Safety Headquarters for Austin Fire, Austin Police, and Austin-Travis County Emergency Medical Services, located at 1501 South MoPac Expressway, Suite 450, Austin, Texas 78746, that will establish an earlier lease expiration date of December 31, 2026, and waive the base rent and other charges under the lease from April 1, 2026, through December 31, 2026, in the amount of $958,480. Funding: This item is projected to reduce revenue by $634,759 in Fiscal Year 2025-2026 and $323,721 in Fiscal Year 2026-2027 of the Operating Budget of Austin Facilities Management.

Lead Department

Austin Financial Services.

Fiscal Note

This item is projected to reduce revenue by $634,759 in the current Fiscal Year 2025-2026 and $323,721 in the Fiscal Year 2026-2027 of the Operating Budget of Austin Facilities Management.

Prior Council Action:

October 12, 2024 - Council approved acquisition of two administrative office buildings to serve as a new Public Safety Headquarters for the Austin Fire, Austin Police, and Austin-Travis County Emergency Medical Services.

For More Information:

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Additional Backup Information:

The purpose of this item is to authorize the negotiation and execution of an amendment to the lease agreement with Open Lending for Suite 450, consisting of approximately 25,368 rentable square feet of office space, in the City's future public safety headquarters facility located at 1501 South Mopac Expressway, Austin, Texas 78746. On October 12, 2024, the City Council authorized the acquisition of the building from G&I VII Barton Skyway LP and the assumption of the building's existing leases, including the lease with Open Lending. The current lease term expires on January 31, 2029.

The staff recommends amending the lease to:

- Provide for an expiration date of December 31, 2026, which is twenty-five months earlier than the expiration date of January 31, 2029; and
- Waive the base rent and other charges under the lease from April 1, 2026, through December 31, 2026, in the amount of $958,480.

In exchange for foregoing rental revenue for the period of the waiver, the City will take early possession of fully built-out Class A office space, which will reduce costs associated with extensive renovations. The amendment

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will allow the City to complete any renovations necessary to accommodate the co-location of the Austin Fire, the Austin Police, and the Austin-Travis County Emergency Medical Services into a single public safety headquarters campus significantly sooner than otherwise waiting until the end of the tenant's current lease term. Waiting would delay occupancy by the City and require bringing the contractor back at a later date to complete the renovations, resulting in additional mobilization costs and risk of increased costs due to inflation, tariffs, and supply shortages. For these reasons, Austin Financial Services has determined that the rent and charge waivers are less than the cost of delays.

By approving this item, Council finds that this lease amendment, including the waiver of rent and other charges, serves a public purpose and is of benefit to the City because it will allow the City to complete needed renovations and begin occupancy of the space for use as the new public safety headquarters in an overall more cost-effective and efficient manner.

The Strategic Facilities Governance Team has reviewed and approved the proposed lease amendment.

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