



City of Austin

Recommendation for Action

File #: 26-1439, **Agenda Item #:** 21.

4/9/2026

Posting Language

Authorize negotiation and execution of a sixth amendment to the lease agreement with LCG Techni Center, LLC for 5,000 square feet of warehouse space, located at 6014 Techni Center Drive, Suite 102, Austin, Texas 78721, to extend the term of the lease 60 months, from October 1, 2026 through September 30, 2031, with one option to extend for an additional sixty months, for a total amount not to exceed \$366,330.48. Funding: \$69,000 will be included in the Fiscal Year 2026-2027 Operating Budget of Austin Police. Funding for the remaining contract term is contingent upon available funding in future budgets

Lead Department

Austin Financial Services.

Fiscal Note

Funding in the amount of \$69,000 will be included in the Fiscal Year 2026-2027 Operating Budget of Austin Police.

Funding for the remaining contract term is contingent upon available funding in future budgets

Prior Council Action:

August 26, 2021 - Council authorized a fifth amendment for a 60-month lease extension.

September 20, 2018 - Council authorized a fourth amendment for a 36-month lease extension.

August 22, 2013 - Council authorized a third amendment for a 60-month lease extension.

March 11, 2010 - Council authorized a second amendment for a 36-month lease extension.

June 21, 2007 - Council authorized a first amendment for a 36-month lease extension.

March 4, 2004 - Council authorized a 38-month lease agreement.

For More Information:

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Additional Backup Information:

The City currently occupies approximately 5,000 square feet of secured warehouse space at 6014 Techni Center Drive, Suite 102, Austin, Texas 78721. The current lease expires on September 30, 2026. Extending the lease for an additional 60 months will allow the City access much-needed storage requirements.

The proposed lease amendment would extend the term for five years, commencing October 1, 2026, with one option to extend for an additional five years. The base rent rate will start at \$13.80 per square foot, with annual increases of 3%. This monthly rental expense includes taxes, insurance, and common area maintenance, but

the City will be responsible for utilities, trash and recycling services, and interior maintenance and repairs.

The following table summarizes the total rent:

Term	Total Monthly Gross Rent	Total Annual Gross Rent
10/1/2026 - 9/30/2027	\$5,750.00	\$69,000.00
10/1/2027 - 9/30/2028	\$5,922.50	\$71,070.00
10/1/2028 - 9/30/2029	\$6,100.18	\$73,202.16
10/1/2029 - 9/30/2030	\$6,283.18	\$75,398.16
10/1/2030 - 9/30/2031	\$6,471.68	\$77,660.16
Grand Total		\$366,330.48

Austin Financial Services procured an independent third-party appraisal to establish the fair market rental rate. The appraisal supports the proposed lease terms.

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