



City of Austin

Recommendation for Action

File #: 26-2809, **Agenda Item #:** 87.

1/22/2026

Posting Language

Authorize negotiation and execution of a lease amendment with Travis County Healthcare District, dba Central Health, to extend the lease for an additional 60 months from March 1, 2026, through February 28, 2031, for the property located at 2901 Montopolis Dr., Austin, Texas, for a total amount not to exceed \$208,944. Funding: \$37,812 is available in the Fiscal Year 2026-2027 Austin Public Health Special Revenue Fund from the Texas Health and Human Services Commission’s Women, Infants, and Children (WIC) Grant.

Lead Department

Austin Financial Services.

Fiscal Note

Funding in the amount of \$37,812 is available in the Fiscal Year 2026-2027 Austin Public Health Special Revenue Fund from the Texas Health and Human Services Commission’s WIC Grant. Funding for the remaining lease term is contingent upon available funding in future budgets.

Prior Council Action:

December 14, 2017 - Council approved a 48-month Lease Extension with Travis County Healthcare District dba Central Health.

November 18, 2021 - Council approved a 60-month Lease Extension with Travis County Healthcare District dba Central Health.

For More Information:

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Additional Backup Information:

Austin Public Health has occupied this 1,990 square foot office and clinic space since March 1, 2016. The current lease agreement expires on February 28, 2026. A lease extension is needed to continue the operations of Austin Public Health’s Women, Infants, and Children (WIC) clinic at the Montopolis Drive neighborhood location.

The proposed base rent for the office and clinic space is \$1.00 per year, and operating expenses are currently estimated at \$3,150 per month. The base rent will not change over the term, and operating expenses are estimated to increase annually by 5%.

The following table summarizes the rent and operating expenses:

Term	Monthly Base Rent	Estimated Monthly OPEX	Total Monthly Rent	Total Annual Rent
Months 1-12	\$1	\$3,150	\$3,151	\$37,812
Months 13-24	\$1	\$3,308	\$3,309	\$39,708
Months 25-36	\$1	\$3,473	\$3,474	\$41,688

Months 36-48	\$1	\$3,647	\$3,648	\$43,776
Months 49-60	\$1	\$3,829	\$3,830	\$45,960
			Grand Total:	\$208,944

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