

CAPITAL BUDGET FISCAL NOTE

SUBJECT: Approve an ordinance amending the Fiscal Year 2023-2024 Financial Services Department Capital Budget (Ordinance No. 20230816-008) to increase appropriations by \$75,545,000 for the acquisition, furnishing, and equipping of condominium units in the 5202 Office Building Condominiums condominium project having a street address of 5202 East Ben White Boulevard, Austin, Texas 78741. Related to Items #23-3243 and #23-3322.

FISCAL ANALYSIS

Department:	Building Services
Project Name:	Ben White Facility
Funding Source(s):	Certificates of Obligation
Prior Appropriations:	\$0
This Action:	\$75,545,000
Amended Project	
Appropriation:	\$75,545,000

ANALYSIS / ADDITIONAL INFORMATION: This acquisition is of the two-story multi-tenant low-rise office, which is approximately 244,630 square feet of rentable area situated on a 20.42 acre site. The City's current lease of the property is for 196,768 square feet through May 31, 2025, and April 30, 2026. The proposed purchase also includes a third-party lease of the remaining 26,317 square feet through November 2032.

The City's current annual lease payment of \$6.4M will more than fully offset the annual debt service cost of \$6.1M for the purchase. The third-party lease revenue of \$1M will offset the projected annual operation and maintenance cost of the facility.

This budget amendment will support the acquisition of the facility, furniture, fixtures and equipment including a generator.