



City of Austin

Recommendation for Action

File #: 25-2173, **Agenda Item #:** 41.

10/23/2025

Posting Language

Authorize negotiation and execution of an amendment to the lease agreement with Sixth River Architects, Inc. for 7,049 square feet of office space in the City's Two Barton Skyway Building located at 1601 South MoPac Expressway, Suite 100D, Austin, Texas 78746, to extend the term of the lease for an additional nine months, from April 1, 2026 through December 31, 2026. This item is projected to result in additional revenue in the Operating Budget of Austin Facilities Management in the estimated amount of \$254,412, with \$169,608 generated in Fiscal Year 2025-2026 and \$84,804 generated in Fiscal Year 2026-2027.

Lead Department

Austin Financial Services.

Fiscal Note

This item is projected to result in additional revenue in the Operating Budget of Austin Facilities Management in the estimated amount of \$254,412, with \$169,608 generated in Fiscal Year 2025-2026 and \$84,804 generated in Fiscal Year 2026-2027.

Prior Council Action:

October 12, 2024 - Council approved the purchase of Two Barton Skyway Building located at 1501 and 1601 South Mopac Expressway, Austin, Texas 78746, from G&I VII Barton Skyway LP, in an amount not to exceed \$107,892,000, including closing costs.

For More Information:

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Additional Backup Information:

The purpose of this item is to authorize negotiation and execution of an amendment to the lease agreement with Sixth River Architects, Inc., a Texas corporation, for Suite 100D, consisting of approximately 7,049 rentable square feet of office space, in the City's recently acquired Two Barton Skyway Building located at 1601 South Mopac Expressway, Austin, Texas 78746.

This amendment to extend the lease term has been carefully considered and is in the best interest of the City as it will result in additional revenue to the City during the planning phase of the renovations which the City will undertake to make the space ready for future use as the new public safety headquarters campus. The amendment will allow for a nine month lease extension to commence April 1, 2026, and expire on December 31, 2026.

Under the lease extension, Sixth River Architects, Inc., will continue to be responsible for the rent and other charges for any occupancy of the space until December 31, 2026. This lease extension will not delay the office space renovations.

The proposed base rent for the office space for the extended term of the lease is \$35.00 per square foot and

includes a 3% increase from the current rate paid in September 2025. The rent increase is consistent with the rent escalator in the previous lease amendment. The operating expenses for the extended term of the lease are currently estimated at \$7,708 per month.

The following table summarizes the projected rent and operating expenses:

Term	Monthly Base Rent	Monthly Operating Expenses	Total Monthly Rent	Total Rent
April 1, 2026 - December 31, 2026	\$20,560	\$7,708	\$28,268	\$254,412
			TOTAL:	\$254,412

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