



City of Austin

Recommendation for Action

File #: 25-1410, **Agenda Item #:** 35.

7/24/2025

Posting Language

Authorize negotiation and execution of all documents and agreements necessary or desirable with the Austin Public Facilities Corporation, including an interlocal agreement, for the Austin Public Facilities Corporation for initial planning and feasibility of emergency housing and services related facilities in a total amount not to exceed \$150,000, planning and analysis of certain City of Austin real estate assets in a total amount not to exceed \$300,000, and to provide tenant improvements, furniture, fixtures and equipment and other services as needed to make 3300 North Interstate Highway 35, Austin, Texas 78705 ready to use as a public facility in an amount not to exceed \$500,000. Funding: \$450,000 is available in the Fiscal Year 2024-2025 Operating Budget of the Financial Services Department and \$500,000 is available in the Capital Budget of the Building Services Department.

Lead Department

Financial Services Department.

Fiscal Note

Funding in the amount of \$450,000 is available in the Fiscal Year 2024-2025 Operating Budget of the Financial Services Department.

Funding in the amount of \$500,000 is available in the Capital Budget of the Building Services Department.

For More Information:

Kimberly Olivares, Director, 512-974-2924; Andrew Moore, Strategic Facilities Project Manager, 512-974-7604.

Council Committee, Boards and Commission Action:

November 21, 2024 - Council approved an Interlocal Agreement with the Austin Public Facilities Corporation.

April 24, 2025 - Council Approved purchase of the property 3300 N Interstate Highway 35.

Additional Backup Information:

The Austin Public Facilities Corporation's creation was authorized by Council in March 2023 to assist the City in relation to the financing, acquisition, construction, rehabilitation, or otherwise placing public facilities into service. This item is requesting project specific amendments to the existing Inner Local Agreement approved in November 2024 to allow the Austin Public Facilities Corporation to do pre-development work for City facilities. After the pre-development work is completed, staff will request Council approval to fund construction of improvements.

The City Council approved the purchase of the University Park property in April of 2025. The property is an approximately 1.579-acre tract with an 8-story Class A office building totaling approximately 206,657 square feet of administrative office space, garage and surface parking for approximately 750 vehicles. The purchase addresses inadequate facilities and working conditions, support beneficial collaboration and future growth, and improved public access. The property is centrally located, LEED Gold Certified, and ideal for easy access to

downtown. The City is working with three existing tenants as they develop their plans to leave the space at or near the end of their lease terms. The proposed acquisition will also provide relocation space for City Departments located at One Texas Center and free the property for potential redevelopment.

Real Estate Asset Planning and Analysis:

The City requires a stronger understanding of opportunities and limitations of City owned properties in the downtown and surrounding areas in combination with capital infrastructure requirements. This analysis will provide the groundwork to better position the City for planning and potential future negotiations.

Emergency Housing and Services Facility:

The study will provide the City with important space planning and data points to appropriately plan for future emergency housing and related services facility needs.