



# City of Austin

## Recommendation for Action

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**File #:** 26-1221, **Agenda Item #:** 19.

3/12/2026

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### Posting Language

Authorize negotiation and execution of an amendment to the lease agreement with WSP USA, Inc. for 13,795 square feet of office space in the City's Two Barton Skyway Building located at 1601 South MoPac Expressway, Suites 300D and 325D, Austin, Texas 78746, to extend the term of the lease for an additional three months, from May 1, 2026, through July 31, 2026. Funding: This item is projected to result in additional revenue of \$158,538 in the Fiscal Year 2025-2026 Operating Budget of Austin Facilities Management.

### Lead Department

Austin Financial Services.

### Fiscal Note

This item is projected to result in additional revenue of \$158,538 in the Fiscal Year 2025-2026 Operating Budget of Austin Facilities Management.

### Prior Council Action:

October 12, 2024 - Council approved the negotiation and execution of all documents and instruments necessary or desirable to acquire in fee simple approximately 13.83 acres, including two four-story Class A office buildings totaling approximately 390,963 square feet of office space and two five-level parking garages with approximately 1,551 garage and surface parking spaces, for municipal offices, 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:

Brandon Williamson, Austin Financial Services, 512-974-5666; Michael Gates, Austin Financial Services, 512-974-5639; Kimberly Olivares, Austin Financial Services, 512-974-2924.

### Additional Backup Information:

The purpose of this item is to authorize negotiation and execution of an amendment to the lease agreement with WSP USA, Inc., a New York for-profit corporation (WSP), for Suite 300D and Suite 325D, consisting of approximately 13,795 rentable square feet of office space, in the City's future public safety headquarters facility located at 1601 South Mopac Expressway, Austin, Texas 78746, to extend the term of the lease for an additional three months.

On October 12, 2024, the City Council authorized the acquisition of the building from G&I VII Barton Skyway LP and the assumption of the building's existing leases, including the lease with WSP. The current lease term expires on April 30, 2026.

The amendment has been carefully considered and is in the best interest of the City as it will provide the City with additional revenue before the tenant vacates the space. The amendment will allow for a three-month lease extension from May 1, 2026, to July 31, 2026.

Under the proposed lease extension, WSP will continue to be responsible for the rent and other charges due

for any occupancy of the space until July 31, 2026. This lease extension will not delay the office space renovations.

The base rent for the office space during the extended term of the lease will remain at the current rate of \$33.93 per square foot. The base rent is consistent with other rents in the building. The operating expenses are also expected to remain unchanged during the extension period at a rate of \$13,841 per month.

The following table summarizes the rent and operating expenses:

<b>Term</b>	<b>Monthly Base Rent</b>	<b>Monthly Operating Expenses</b>	<b>Total Monthly Rent</b>	<b>Total Rent (5 Months)</b>
May 1 to September 30, 2026	\$39,005	\$13,841	\$52,846	\$264,230
			<b>TOTAL:</b>	<b>\$264,230</b>

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