City of Austin

Recommendation for Action

File #: 26-2084, **Agenda Item #:** 48. 8/27/2026

Posting Language

Authorize negotiation and execution of a lease agreement with Richard Springdale, LLC, a Texas limited liability company, on behalf of Austin Forensic Science - Evidence Control for an initial lease term of five years, with one five-year extension option, for approximately 44,026 rentable square feet of flex warehouse space located at 4405 Springdale Road, Austin, Texas 78721, for a total amount not to exceed $3,352,823. Funding: $52,387 is available in the Fiscal Year 2025-2026 of the Operating Budget of Austin Forensic Science. Funding for the remaining contract term is contingent upon available funding in future budgets.

Lead Department

Austin Financial Services.

Fiscal Note

Funding in the amount of $52,387 is available in the Fiscal Year 2025-2026 Operating Budget of Austin Forensic Science.

Funding for the remaining contract term is contingent upon available funding in future budgets.

For More Information:

Brandon Williamson, Austin Financial Services, 512-974-5666; Michael Gates, Austin Financial Services, 512-974-5639; Dr. Dana Kadavy, Austin Forensic Science, 512-974-5118.

Additional Backup Information:

Austin Forensic Science - Evidence Control currently occupies and operates out of two City-owned facilities, one consisting of approximately 50,000 square feet of warehouse space, located at 4708 E. MLK Jr. Blvd, Austin, Texas, and the other consisting of approximately 10,000 square feet of warehouse space, located at 1520 Rutherford Lane, Austin, Texas. The MLK facility is near capacity, and the Rutherford Lane facility is at capacity, making additional space imperative. Austin Forensic Science - Evidence Control can no longer sustain operations limited to its current two locations. As the new Public Safety Warehouse Project is delayed due to a warranty claim, a new warehouse facility is needed on a temporary basis. The proposed property is located next door to the current MLK evidence warehouse, making it an ideal location that would reduce time spent on inventory management between the buildings. Further leasing of this facility would enhance the safety, security, and integrity of the evidence and ensure the health and safety of City employees by addressing overcrowding and staffing shortages related to the disposal of eligible items. Leasing this facility would also allow Austin Forensic Science - Evidence Control to accommodate the addition of five new full-time equivalents planned for Fiscal Year 2027.

The proposed lease agreement includes a 60-month term, with one five-year option to extend, with a commencement date of September 1, 2026. The base rent will start at $10.92 per square foot and increase by 3% annually. Operating expenses are estimated at $3.36 per square foot and are projected to increase by 4% annually. These expenses include taxes, insurance, and management fees. Additionally, the proposed lease agreement provides for a Tenant Improvement Allowance of $36,000 to be credited against the base rent at a rate of $3,000 per month during the first year.

City-owned space is the preferred location for City Departments. However, due to delays with the new Public Safety Warehouse Project, the urgent need for additional space, and the facility's special-purpose use along with the unique operational requirements of Austin Forensic Science - Evidence Control, no other viable options currently exist to adequately house and support these functions. As a result, leasing at a competitive market rate is the only feasible option.

The following table summarizes the proposed rent and operating expenses (OpEx).

Term:	Monthly Base Rent	Annual Base Rent	Annual Base Rent Per SF	Monthly OpEx	Annual OpEx	Annual OpEx Per SF	Total Annual Gross Rent
September 1, 2026 - August 31, 2027	$40,075	$480,900	$10.92	$12,312	$147,749	$3.36	$628,649
September 1, 2027 - August 31, 2028	$41,227	$494,724	$11.24	$12,805	$153,659	$3.49	$648,383
September 1, 2028 - August 31, 2029	$42,516	$510,192	$11.59	$13,317	$159,805	$3.63	$669,997
September 1, 2029 - August 31, 2030	$43,791	$525,492	$11.94	$13,850	$166,197	$3.77	$691,689
September 1, 2030 - August 31, 2031	$45,105	$541,260	$12.29	$14,404	$172,845	$3.93	$714,105
	Total	**$2,552,568**			**$800,255**		**$3,352,823**

An independent third-party appraisal was procured to establish the fair market rental rate. The appraisal supports the proposed lease terms.

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

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